Daily Report

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Soviet Union

FBIS-SOV-91-217 *8 November 1991*

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NOTICE TO READERS: The United States Government recognizes the independence of Estonia, Latvia, and Lithuania.

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Worldwide Issues

Further Reportage on Reacton to NATO Reform

Prospects Pondered

PM0811110791 Moscow PRAVDA in Russian 7 Nov 91 p 5

[Correspondent V. Peresada report under the rubric "Brussels on the Line:" "'Perestroyka' in NATO. The North Atlantic Alliance Adopts a New Strategy"]

[Text] Almost two years ago, while chatting with Pierre Harmel, author of the NATO strategic concept, I asked him: "Is the disbandment of the North Atlantic Alliance possible in the foreseeable future, particularly as the disbandment of the Warsaw Pact Organization is not far off and NATO's relations with the USSR and the countries of East Europe are improving increasingly noticeably?" "Of course not," he said. "Even if these relations become like those prevailing among the Common Market countries in West Europe, NATO will be preserved just the same. This is a question of our geopolitics, which consists of defending the security of the allied states which give onto the Atlantic in all directions against 'unpleasantnesses' from any regions. But, of course, the fact that the chief 'unpleasantness,' in other words the former 'threat from the East,' no longer exists in Europe itself requires changes in the alliance's strategy and its adaptation to the new conditions. Including, possibly, a reappraisal of the "Harmel doctrine," which has now been operating for almost a quarter-century."

I recalled that conversation at a recent briefing in NATO's Brussels headquarters. The journalists accredited to it had been invited to paint a final picture of the preparations for the conference of NATO countries' heads of state and government, which opens in Rome 7 November. The new strategy of the North Atlantic Alliance, formulated with due regard for the positive changes in the world—chiefly in Europe—will be proclaimed and officially approved there.

It is probably possible to "take off your hat" to the NATO-ites. Quite honestly, it was hard to believe that they would come to this. Of course, East Europe is quite different now, and the Soviet Union is different. And the disarmament potential is tremendous: The Treaty on Conventional Armed Forces alone is worth something, not to mention the latest initiatives of George Bush and Mikhail Gorbachev, and of NATO itself, regarding reducing tactical nuclear forces. We have even set up official ties with this body which only recently was an "aggressive imperialist nest," and diverse contacts, including contacts between the military, are gaining in scope. All these factors are significant in themselves and, in principle, could probably remain as such, creating a practical base for rapprochement. But NATO has gone further and decided to touch the "very foundations"—the conceptual framework of its years-long "approach to the East."

What I heard at the "pre-Rome" briefing has not yet been pronounced aloud. The entire preparations for the strategy revision have left the impression that, one way or another, the planned changes will take place within the framework of the "Harmel doctrine," which proposes a flexible combination of two principles in NATO's activity—defense and readiness for political dialogue. For it can hardly be doubted that such an approach cannot work even under the present conditions.

However, NATO has deemed it necessary to go beyond this framework. It has been decided to proclaim one more basic principle in the alliance's activity—cooperation. That is, the strategic direction of partnership relations with former opponents. It is clear to those who have followed the process of restructuring within NATO that the decision to develop and virtually to revise the perfectly viable "Harmel doctrine" is a decision made in the last few days. And it has been brought about by specific circumstances—above all, by the new situation prevailing in our country following the failure of the August putsch.

To judge by statements at the briefing, "the renewed North Atlantic Alliance is seen as the basic element of the future European architecture" and "the allies' main forum in defense matters." At the same time, in the Copenhagen declaration of the foreign ministers' conference, NATO came out unusually clearly in support of the CSCE process, acknowledging for the first time that it is not an "alternative to it."

The military section of the alliance's new strategy has been prepared with due regard for the conclusion that "the possibility of a massive invasion from the East" has vanished and the NATO countries' security can be ensured with fewer military means. The well-known "flexible response" and "forward defense" doctrines are being consigned to the archives. The operational documents governing them, including the top-secret MS 14/4 Directive, are to be repealed and, so I have been told, might even be published after the Rome meeting.

Accordingly, serious changes are envisaged in both the numerical strength and structure of NATO troops in Europe. The large allied forces concentrated in Germany, along the border with the former GDR, will, first, be reduced significantly (by one-half in Europe as a whole) and, second, will be stationed in garrisons on the territory of various NATO countries. Since the "geography of defense" remains as before, it is planned to place emphasis on troop mobility, including by means of creating a multinational "rapid reaction force," as well as on the reserves, which must also be sufficiently mobile to be able to be urgently transferred to "regions where conflicts arise within NATO's zone of responsibility."

However, there is no getting away from the realities. NATO does not believe that now it has nothing to fear in Europe. Yes, all recent documents constantly repeat that "the former threat is no more." But they now speak with

equal constancy of "risk factors" both for the members of the alliance and for Europe in general. In addition to the crisis phenomena in East Europe (as already confirmed by the war in Yugoslavia), people here also rate among such factors the Soviet Union, which "is going through a difficult political evolution" and "still has an impressive military potential."

Because I go frequently to the NATO Headquarters, I know that nothing, not even Yugoslavia, worries the politicians and military people here so much as the situation in our country. Above all, the rapid collapse of the Union has been perceived with very great pain. Not because a whole group of states, the policy of each one of which is already acquiring its own nuances, is emerging in the place of a unified state, whose politics people here are accustomed to dealing with. But because "sovereignization" is proceeding chaotically, in an atmsophere of recriminations, mistrust, and even hostility.

A literally shocking impression is produced, for example, by reports of the republics' intention to have their own armies and by talk about the future of nuclear weapons control. Our assurances that this will continue to be exercised at the level of the center "work" only as regards strategic forces. For it is no secret that NATO's recent initiatives aimed at an unprecedented reduction of its tactical nuclear systems in Europe are calculated with a view to still greater steps on the part of the USSR, for these weapons are now most dangerous from the viewpoint of losing control over them. And not directly for NATO. They fear our internal "Yugoslav option," but on an incomparably larger scale and, moreover, with a nuclear "seasoning."

Of course, that part of the new NATO strategy which provides for military measures to "prevent crises" is by no means inoffensive in itself. It gives rise to natural alarm among our military, and, obviously, they will make detailed assessments of it. However, it is already clear that it is not on this that the North Atlantic Alliance is banking. Moreover, it no longer banks only on strengthening the global political principles in NATO's activity. It sees the optimum possibility for helping to stabilize the situation and to deepen the changes in the east of the continent, above all in the USSR, in arranging broad and multifaceted cooperation with it—which is what is behind the emergence of the third strategic principle, which essentially marks a "neo-Harmel" epoch within NATO.

Why were the August and subsequent events in our country the main impetus for this? On the one hand, of course, the putsch sharply accelerated the process of the USSR's disintegration—a process undesirable for NATO. On the other hand, however, its failure created preconditions for this organization's more dynamic approaches to the development of relations with our country. A high-ranking NATO representative spoke of this in detail during an informal conversation with a group of journalists. Because of the rules here, it is not customary to name those who hold such conversations, but, believe me, he is one of the West's best-known military-political figures.

"One of Augusts's results," he said, "was a radical shift toward democracy in your country. This enables the North Atlantic alliance to adopt a policy of activating political and other cooperation with the USSR. We want to do everything possible to ensure that the current reforms are crowned with success. NATO is undoubtedly concerned at the nature that is being assumed by certain processes which are creating an explosive mixture of economic and political problems. It is particularly important to us that all cardinal questions of international politics and security be resolved by the center in your country, but it is up to you whether this will be so or whether many powers will pass to the republics. Adopt decisions yourselves, and we will respect them and strive to adapt to them. Only we would want the transformations to result, all the same, in a new Union which will play its role both in Europe and in Asia."

What form, specifically, might this policy of cooperation take? Does NATO have specific ideas? Yes, it does. They were formulated, in particular, in the recent joint statement by the leaders of the U.S. and German foreign policy departments on NATO's relations with the USSR and the countries of Central and East Europe These ideas, which go far beyond the parameters for cooperation laid down in Copenhagen, have been submitted to the Rome summit meeting.

I will not enumerate all the initiatives, for there are many of them. I will speak only of the chief one. It is, for the first time, a question of institutionalizing relations between NATO members and their neighbors in the east of the continent. "To this end," the statement emphasizes, "we propose to develop ties on a permanent basis within the framework, for example, of a totally new institution like the Atlantic Cooperation Council."

The Rome meeting will show what shape both this and the other ideas will take. Of course, a great deal in the development of relations with NATO will depend on us and on the East European countries. But everyone today has a mass of common interests, and a considerable mass. Yesterday's opponents really might turn into future partners.

TASS Observer Comments

LD0711224491 Moscow TASS International Service in Russian 1433 GMT 7 Nov 91

[Commentary by TASS observer Vladimir Shelepin]

[Text] Revolutionary changes in Europe, the collapse of Communism, the scrapping of the Warsaw Treaty, German unification, and a general aspiration for democracy, the market, and affirmation of human rights—that is how NATO Secretary-General Manfred Woerner defined the new realities of the contemporary world at the Rome meeting of the supreme leaders of 16 countries

belonging to the North Atlantic alliance. We no longer have enemies, he stressed. We advocate cooperation, partnership, and friendship.

I think that citizens of Russia, most of the people who used to be fellow Soviet citizens, and our closest neighbors in Eastern Europe can all fully associate themselves with this statement. If we tear ourselves away for a minute from the specific annoyances and misfortunes which we are currently experiencing and compare today's situation with the quite recent past, we cannot fail to be amazed by the scale and depth of the positive changes which have occurred in relations between countries and peoples. I am prepared to accept reproaches that I am acting as an apologist, but all the same I must express my view, which only yesterday would have been regarded as criminally seditious. The worldwide community of democratic countries, including their most abiding structure for mutual cooperation, NATO, have made a great contribution to these beneficial changes. I urge that the important role played by the alliance and its members in preserving peace on the continent and deterring the ambitions of those forces—fortunately no longer with us—who dreamed up and tried to implement the doctrine of "limited sovereignty," be judged on its merits.

I shall not try to predict the results of the present NATO Council session. Judging by its agenda, they will be significant and diverse. But I would like to single out one completely new factor, one which is least connected with the bloc's military activities. This is the proposal already made in the speeches of a number of Western leaders for the creation of a permanent structure of cooperation between the NATO allies and the countries of Eastern Europe, including the USSR or whatever entity arises in its place. If everything goes as planned, the foreign ministers of all the alliance members and those of Poland, the CSFR, Hungary, Romania, Bulgaria, the USSR, and the three Baltic republics which recently declared their independence from it—all in all, 25 states which make up the Euro-Atlantic area—will meet on 20 December at NATO's Brussels headquarters. They will gather, at NATO's initiative, to discuss specific questions of cooperation between NATO and the former members of the Warsaw Pact in such areas as the settlement of local conflicts, control over nuclear armaments, and conversion of military industries.

No so long ago there were calls from Moscow for the dissolution of NATO or a reduction of its role in response to the self-dissolution of the Warsaw Pact. This idea has its supporters in other capitals as well. As a rule, the advocates of such a course justified their argument by the need to develop pan-European structures of security and cooperation under the aegis of the CSCE and at the same time to strengthen the integrationist mechanism in Western Europe. Such a need does indeed exist. But, in my view, this need is not incompatible with the activities of the North Atlantic alliance, which over 42 years has proved its effectiveness and which is today putting forward important and constructive initiatives, which can only be welcomed.

[Signed] Vladimir Shelepin, TASS observer on international questions

'Serious Reforms' Discussed

LD0611165191 Moscow Radio Moscow World Service in English 1310 GMT 6 Nov 91

[Commentary by Anatoliy Potapov]

[Text] A meeting of the leaders of the 16 NATO countries is scheduled in Rome for Thursday and Friday [7 and 8 November]. An opinion of the event from our commentator Anatoliy Potapov.

The expected decisions in Rome seem to promise sensational headlines for the press. Really isn't it a sensation that regular political consultations are to be held in the NATO residence with the participation of the former Warsaw Pact countries, including the USSR and the three Baltic states? Such a decision of principle is awaited in Rome.

A totally new permanent institution is being created, earlier unthinkable within NATO, for consultations on European politics and security. The first one of the regular meetings should be held late December.

Apparently, the idea advanced earlier in NATO about cooperation with the former Warsaw Pact countries is taking a quite real shape. The NATO leaders obviously want to display with that the fact that their alliance is no longer simply a military bloc but an organization that intends to play a political role in Europe. Well, if this is so, then the prospects for Europe are promising.

There's another confirmation of such a tendency—an intention to advance an initiative to step up the activities of the structures in the Helsinki process. No details have been revealed so far, but the NATO Secretary General Manfred Woerner has already hastened to say that NATO does not intend to replace the role of the Helsinki process in the all-European cooperation.

I regard this as the answer to the anxiety of France, which has seen an attempt to belittle the role of the Helsinki ideas in the NATO initiative about political consultations of 25 countries in Europe.

A compromise has now been reached, as one can see. In Rome, France will not object to the NATO initiative. In exchange it has been decided not to start at the Rome summit a discussion that promised to be heated—to create a so-called European defense, practically autonomous from NATO, which France has been pressing for.

After a recent decision to reduce the NATO nuclear arsenals in Europe by 80 percent the bloc's leaders intend to put forward more disarmament proposals. This time the point is how the NATO countries' leaders regard the further stage in the Vienna talks on cutting back armed forces and conventional armaments in Europe.

This stage is to begin after the new Conference on Security and Cooperation to be held in Helsinki next year and, of course, the Rome summit will deal with a new military strategy for the 1990's. There is such an idea—to place the NATO Armed Forces at the disposal of the all-European structures to end possible local conflicts in Europe.

On the whole, the meeting in Rome holds out the promise of serious reforms in the NATO activities. The reforms are being made when, after the disbandment of the Warsaw Pact and following basic changes in the USSR and East European nations, the former NATO military doctrines have no more clear and immediate goal, according to the NEWSWEEK magazine.

Further Reportage on World Bank Aid Agreement

Silayev: Debt Problems Temporary

OW0711015091 Moscow INTERFAX in English 1735 GMT 6 Nov 91

[Transmitted via KYODO]

[Text] The Chairman of the Committee for Operational Management of USSR Economy Ivan Silayev has met today, Wednesday, with the President of the World Bank Lewis Preston.

The USSR foreign debt was under discussion, Ivan Silayev assured the problems were temporary, but requested credit support of the West for the transitional period. The backing could take the form of debt rescheduling.

Mr. Preston urged a cautious and thoughtful approach, "credibility is precious commodity", he said. The USSR has earned a good reputation in the past years.

The debt issue will be considered by Silayev's committee Nov 11 instead of 9.

According to VENSHECONOMBANK the country's trade gap runs this month at 1 billion foreign exchange rubles, that is 1,670 dollars by the GOSBANK [Central Bank] official rate.

Lewis Preston expressed confidence that the 7 leading industrial countries will help the USSR to get over the difficulties of the transition. He intends to discuss the question with the U.S. Treasury Secretary N. Brady in Washington.

Agreement Called 'New Beginning'

OW0711093491 Moscow INTERFAX in English 1430 GMT 6 Nov 91

[Transmitted via KYODO]

[Text] The World Bank [WB] President Lewis Preston believes WB aid can help the Soviet Union cope with its economic difficulties. At a Moscow news conference on Wednesday [6 November] he described the agreement on technical cooperation which he and Mikhail Gorbachev had signed the day before as a new beginning. Similar agreements have been concluded with the Russian Federation, Belorussia and Kazakhstan. They will be in effect until the question of granting WB membership to the USSR and separate republics is finally settled.

According to Mr. Preston, the biggest problem facing World Bank experts today is how to reform the food sector in the Soviet Union. The WB is also ready to give consulting services on how to protect the most vulnerable sections of the USSR population during the period of price hikes. The bank, which has contributed $30 million to the fund of assistance to the USSR and the sovereign republics, is planning to open its mission in Moscow.

Replying to a question from IF's [INTERFAX's] reporter, the head of the World Bank denied having discussed with Mikhail Gorbachev or Boris Yeltsin the possibility of selling out the foreign nations' debt to the Soviet Union (a measure suggested, among others, by the deputy head of the Committee for the Operational Management of the Economy, Arkadiy Volskiy). At the same time, he acknowledged that this might be a sensible thing to do under certain conditions.

Pankin Meets Bank Head

LD0711171291 Moscow TASS in English 2027 GMT 6 Nov 91

[Text] Moscow November 6 TASS—Soviet Foreign Minister Boris Pankin met president of the International Bank for Reconstruction and Development (IBRD) Lewis Preston today at the Soviet Foreign Ministry.

They exchanged opinions on specific directions of the development of relations of the Soviet Union and sovereign republics with the bank within the framework of yesterday's agreement on technical cooperation and prospects for the Soviet admission to this organisation as a fully-fledged member, sources at the Soviet Foreign Ministry's Information Directorate report.

Bilateral Talks at Madrid Conference Viewed

PM0711124791 Moscow IZVESTIYA in Russian 6 Nov 91 Union Edition p 4

[V. Lashkul report: "Arab-Israeli Dialogue Continues"]

[Text] The first direct talks between Israeli representatives and the Jordanian-Palestinian, Syrian, and Lebanese delegations within the framework of the Madrid peace conference on the Near East have ended. They confirmed that the diplomatic efforts made by the United States, the USSR, and other states were not in vain in persuading the Israelis and Arabs to get around the negotiating table. According to B. Netanyahu, leader of the Israeli delegation at the bilateral meetings, a "great step forward has been taken, but it will be a long road." This admission squares with the statement made by

Yasir 'Arafat, chairman of the PLO Executive Committee, who told NBC TV: "So far we can say that events are developing very positively."

Admittedly, the results of the second phase of the international forum on a Near East settlement left behind two impressions. On the one hand, the Israeli and Jordanian-Palestinian delegations showed a realism which had allowed them to state in the communique on the results of the first talks that the sides intend to continue discussions based on UN Security Council Resolutions 242 and 338. The Palestinians have been recognized as equal participants in the bilateral talks, which in the future will be held in two main areas—between them and the Israelis, and between Jordan and Israel.

But many points of dispute caused by recriminations and distrust will have to be overcome, too. Thus, Israel and Syria have still not been able to reach agreement on how exactly to interpret UN Security Council Resolutions 242 and 338. This is one of the many reasons for the cautious assessments offered by the U.S. Administration on the prospects for the Madrid conference. Positively assessing the first Arab-Israeli contacts, U.S. President George Bush noted: "We have a long way to go yet, and there will probably be setbacks [sryvy]." The head of the U.S. Administration emphasized yet again that the United States is prepared to take part in the conference on a Near East settlement for "as long as necessary."

It is important that the peace talks between the Arabs and Israel are actively supported by such prestigious states as Egypt and Saudi Arabia. Saudi Arabian Foreign Minister Prince Sa'ud al-Faysal has voiced his approval of the Arab countries' position at the talks.

At the same time, it is not yet clear what the fate of the Arab-Israeli dialogue will be. Agreement has still not been reached on the timetable and venue for the second round of bilateral talks. Spanish Foreign Minister Francisco Fernandez-Ordonez unambiguously hinted in a discussion with journalists that "Spain's role can be said to be over." Tahir al-Masri, head of the Jordanian foreign policy department, stated that the United States and the USSR are making the utmost effort to ensure that the second stage of the Arab-Israeli talks is held outside the Near East in two weeks' time.

United States & Canada

Admiral Chernavin Concludes Visit to U.S.

LD0811093691 Moscow Radio Rossii Network in Russian 0700 GMT 8 Nov 91

[Text] The visit of Admiral Chernavin, commander in chief of the Navy and USSR deputy defense minister, to the United States came to an end in Washington on 7 November. He had talks with Paul Wolfowitz, U.S. under secretary for military policy; General Colin Powell, head of the Chiefs of Staff Committee of the U.S. Armed Forces; Henry Lawrence Garrett, U.S. secretary of the Navy; Admiral Frank Kelso, chief of U.S. naval operations; and other military personnel.

During the talks, the Soviet admiral said, emphasis was placed on the great importance of an agreement between the two countries on preventing incidents on the high seas and in the air.

Baker Visit to China in Nov 'Gratifying News'

PM0711145791 Moscow PRAVDA in Russian 7 Nov 91 p 4

[Vsevolod Ovchinnikov "Viewpoint": "End of Political Blockade"]

[Text] U.S. Secretary of State Baker has announced that he will visit Beijing in mid-November. This news has provoked a storm of comment incommensurate with such an apparently routine matter as a visit by the head of a foreign policy department to the capital of another state. There is a reason, however, to regard this event as sensational, for it will finally put an end to the political blockade to which the "G-7" has subjected China since the tragic events in Tiananmen Square in 1989.

Given the interdependent nature of the modern world, any boycott becomes a two-edged sword or, more accurately, a boomerang. After becoming convinced of this, Japan and the main West European allies of the United States resumed official high-level contacts with Beijing. Washington remained the sole exception. Baker avoided a stopover in the Chinese capital after visiting Ulaanbaatar in July. If this were to be repeated now that the U.S. secretary of state is awaited in Seoul and Tokyo, then Beijing, in the words of a PRC Foreign Ministry spokesman, "would regard this as deliberate disrespect."

Moreover, the very reason for this trip to Asia is prompting the leaders of the Washington administration to return to the norm in the treatment of China. The Asian and Pacific Economic Council is meeting in Seoul this time. It includes the ASEAN members (Indonesia, Thailand, the Philippines, Malaysia, Singapore, and Brunei), the United States, Canada, Australia, New Zealand, Japan, and South Korea. There are plans to receive China into the council at this session, as well as its two "independent parts": Taiwan and Hong Kong. They are all actively involved in Asian and Pacific trade. It would be self-defeating for Washington to oppose on its own the general craving for regional integration.

Another point is important, too. The tiff between Washington and Beijing coincided with the normalization of Sino-Soviet relations. And, whatever Beijing's attitude to the CPSU's fate after the August putsch, both sides confirm their adherence to the 1989 joint communique and, above all, to the principle of noninterference in each other's internal affairs and are maintaining the policy of good-neighborliness and cooperation, which accords with the fundamental interests of the two neighboring peoples. Since the "cooling" between Beijing and

Moscow, which some people had expected, has not happened, the normalization of U.S.-Chinese relations has become a matter of some urgency to Washington from the geopolitical viewpoint.

At the Paris International Conference on Cambodia, Baker met with Qian Qichen, his Chinese colleague, and named three conditions for the resumption of contacts. First, according to the secretary of state, China must demonstrate readiness to cooperate in the matter of controlling the proliferation of weapons of mass destruction; second, reduce the distortion of the trade balance; third, improve the situation in the human rights sphere.

At the Madrid international conference on the Near East, Baker displayed a more flexible approach to this problem. He declared that China, whose population makes up almost one-fourth of mankind, is too large a state for the United States to be able to continue ignoring it. There are problems in our relations which will not disappear unless they are discussed, the secretary of state said. He no longer mentioned the three prior conditions.

What is the situation with regard to them? Confirming its readiness to subscribe to the Nuclear Nonproliferation Treaty, the Chinese Government has officially refuted reports of any involvement in the nuclear programs of the DPRK and Iran. The PRC Foreign Ministry has made it clear that during Baker's visit, the Chinese side will be prepared to discuss an agreement on control over exports of missile weapons and the technology for their production.

As for the unbalanced nature of bilateral trade, the Chinese refer to a discrepancy in statistics. According to Washington's data, Chinese exports to the United States totaled $15 billion last year. But Beijing insists on the figure of $5 billion. It maintains that the Americans wrongly include in the total figure Chinese products or semimanufactures acquired, processed, and then reexported by Hong Kong. Imports of U.S. goods into China actually fell by $1 billion last year. And the reason for this was not only the saving of foreign currency but also the restrictions imposed by Washington on sales of high-tech output. The facts of the "piratical," i.e. unauthorized, use by the Chinese of U.S. intellectual property, particularly computer software, will also evidently be a subject of Baker's talks in Beijing.

The upcoming visit to China by the U.S. secretary of state is gratifying news. All mankind will benefit if the tiff between Washington and Beijing is overcome. Life confirms that attempts to subject a state such as China to a political blockade and to isolate it from world economic ties are counterproductive. It will be good if this becomes a lesson for the future.

Northeast Asia

Japanese Prime Minister on 'Large-Scale' Aid

LD0711165791 Moscow TASS in English 1202 GMT 6 Nov 91

[By TASS correspondent Vyacheslav Bantin; all quotation marks as received]

[Text] Tokyo November 6 TASS—Japanese Prime Minister Kiichi Miyazawa went on record, in principle, for eventually rendering large-scale Japanese financial aid to the Soviet Union. Addressing a press conference here today, he noted that careful studies should be carried out and several important problems should be "settled before carrying out the Soviet aid programme.

"First of all," Miyazawa noted, "it is necessary to answer the following questions: in what period, at what stages, in what amounts and to whom in the USSR should this financial aid be addressed in order to ensure its genuine effectiveness?"

Miyazawa recalled that Tokyo recently decided to render the Soviet Union humanitarian and technological assistance. He stressed in this connection that financial aid would be granted to Moscow next in order to help the Soviet republics go over to a market economy. However, this will be possible only after full agreement is reached among the Western states on details of the project and after answers are received to the foregoing questions," Miyazawa said.

Asked about the approach of Miyazawa's cabinet to the "Northern Territories" issue, the prime minister noted that this problem's settlement "is part and parcel of the future Soviet-Japanese peace treaty.

Russian Heir Apparent Urges Return of Kurils

OW0811023491 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmited via KYODO]

[Text] On Wednesday [6 November] the heir to the Russian throne, Grand Duke Vladimir Kirillovich, called for returning the disputed islands in the South Kuril chain to Japan. Speaking with reporters the head of the Russian imperial house asserted that for this large country it's not so important to possess the disputed islands, and that it's hardly worthwhile to create international tensions because of them.

With reference to the upcoming reforms in Russia the Grand Duke said they'll be successful only if all the people of Russia join their efforts and get united. The heir to the Russian throne said he is willing "to serve Russia in any capacity".

Southeast Asia & Pacific

SRV 'Concern' Over Monument Removal Decision

PM0711120191 Moscow PRAVDA in Russian 5 Nov 91 Single Edition p 4

[Report by correspondent P. Tsvetov: "Vietnamese Are Perplexed"]

[Text] Hanoi—Rumors that they intend to dismantle the monument to Ho Chi Minh in Moscow have long been circulating in Hanoi. I did the best I could to deny them until recently. I myself did not believe that the leadership of our capital would do it.

Alas, I was wrong. The Vietnamese were better informed. It is not surprising: There are tens of thousands of them in the Union. They are up to date with all our affairs. Now all Vietnam knows of it. The VNA news agency reported the decision made by the Moscow Soviet to remove several monuments from Moscow's streets and squares including the monument to Indochina's great son.

The reaction of the Vietnamese can be defined as resentment and confusion. The first question is why? Indeed, what has Ho Chi Minh done to offend the Muscovites? He did not serve in the Emergency Committee. And who was disturbed by the monument in the quiet little square not far from the "Akademicheskaya" subway station?

A second question. Should this decision not be understood as a review of Soviet policy with regard to Vietnam?

The attitude of the Vietnamese Government and people toward the USSR has not changed. The plan of measures recently adopted in the SRV to mark the Soviet Union's 7 November national holiday says that in celebrating the 74th anniversary of the October Revolution, the Vietnamese people express their intention to continue to develop friendly relations with us.

SRV Foreign Ministry spokesmen have voiced their concern to the Soviet side regarding the Moscow Soviet's decisions. The Vietnamese side rightly counts on another attitude toward the symbols of our friendship. Not to mention the fact that the personality of Ho Chi Minh goes beyond the party, national, and class framework. Of course, he was above all an ardent patriot, but at the same time, he was a figure on a general human scale. Many leading lights of world civilization admired him. People like O. Mandelshtam and P. Picasso, for instance, who knew him personally.

Last year the centenary of Ho Chi Minh's birth was celebrated worldwide by a decision of UNESCO.

Monuments and memorial plaques to the great son of Vietnam exist in all corners of the planet, beyond his motherland. There are 18 streets and squares bearing Ho Chi Minh's name in various countries, including France, Italy, Yugoslavia, and India. And no one is renaming them. Moreover, a few days ago, a memorial plaque on a house where Ho Chi Minh worked also appeared in London, the capital of a state whose civilization is beyond doubt.

The Moscow authorities were not simply hasty over the decision on the monument to Ho Chi Minh. They have obviously gone in the wrong direction, away from civilization.

Near East & South Asia

Reportage, Comment on Mideast Peace Prospects

No Grounds for 'Euphoria', 'Pessimism'

LD0611233291 Moscow Radio Moscow in Arabic 1500 GMT 5 Nov 91

[Unattributed commentary]

[Text] Dear listeners: The first stage of the Madrid conference on a Middle East peace settlement was held with the participation of all the parties in the Arab-Israeli conflict, and under the joint chairmanship of the United States and the Soviet Union. The first bilateral meetings of the parties directly concerned with the conflict were held. There are currently no grounds for either euphoria or pessimism. In the course of the second stage of the conference, there was an interval of predetermined interruption for the parties to agree on the time and place for continuation of the negotiations. Observers believe that this will take several weeks. The important thing is that all the delegations have stressed their determination to continue the dialogue.

The first results of the negotiations between the Israeli delegation and the Palestinian-Jordanian delegation are assessed with greater optimism at present. One may talk here of some signs of possible closer positions and even of mutual concessions. It is important that agreement be reached on holding separate contacts between the Israeli and Palestinian delegates there, as this will put the Palestinians' rights on equal footing with the other Arab delegations.

But things are far more difficult in the negotiations between Israel and Lebanon. Lebanon continues to insist on the withdrawal of the Israeli forces from the south of the country, while Israel openly demands that a new government be formed in Lebanon and that Lebanon abandon cooperation with Syria. There are no signs here that positions have moved closer.

The negotiations between Syria and Israel became tense, and there was a real danger that the negotiations might not start. But the negotiations did start. That, experts believe, was due to a large extent to the efforts made by the president of the Soviet Union. When Mikhail Gorbachev talked by telephone with Syrian President Hafiz al-Asad, he used all his influence to convince the Syrian president to resume the negotiations, and not undermine

the conference. The negotiations did take place, but the two sides ended up accusing each other of harshness and intrasigence.

The building of settlements by Israel in the Golan Heights does not contribute to the confidence-building process. Nevertheless, the Israeli-Syrian negotiations will continue.

The fate of peace in the Middle East now depends on the ability of the negotiating parties to take new stands and their ability to abandon rigid molds of thought and give up demands that have a threatening tone. The Soviet Union and the United States are doing all they can to support the negotiating process, but only the Arabs and the Israelis can resolve their own problems.

Israeli Actions 'Complicating' Talks

PM0711145991 Moscow IZVESTIYA in Russian 6 Nov 91 Union Edition p 4

[IZVESTIYA press service report: "Actions Complicating Near East Peace Talks"]

[Text] Although the Near East settlement process has accelerated thanks to the Madrid conference, Israel continues to create new settlements in the occupied territories.

Just a few hours after the start of the bilateral Syrian-Israeli talks in Madrid, REUTERS reports, three Israeli ministers ceremonially opened a new settlement in Qela'—in the Golan Heights which were seized from Syria—and housed 70 immigrants from the Soviet Union there. One minister said: "We are here as a response to the tyrant of the East," referring to the Syrian president. There are plans to house a total of 350-400 families at Qela'.

Some 15,000 Israelis already live in the Golan Heights. This year, AP states, there are plans to build 1,500 housing units in the Golan Heights, and as many again next year.

On 4 November, Israeli Prime Minister Yitzhaq Shamir reaffirmed his country's position: Israel has no plans to freeze the construction of settlements in the occupied territories as a goodwill gesture toward the Arabs. And this despite the fact that both the United States and the Arab countries consider the continued construction to be a serious obstacle to peace, REUTERS comments.

The situation is also heated in southern Lebanon. For five days running, Israeli aircraft have bombed areas in direct proximity—within 15 km—to the southern Lebanese "security zone" which they control. Syria, REUTERS reports, has stated that these bombing raids are aimed at torpedoing the Near East peace talks. But the Israeli side claims that they are a warning to Syria and Libya to control the partisans operating in the region who, on the eve of the Madrid conference, killed three Israeli soldiers and injured six more.

The shelling and bombing of south Lebanon has now come to a halt, agencies report. It is thought that this has proved possible thanks to U.S. mediation at Madrid.

Syrians Protest Golan Settlements

PM0811115591 Moscow IZVESTIYA in Russian 7 Nov 91 Union Edition p 4

[Report by correspondent M. Kozhevnikov under the general heading "Madrid, Washington, or...? Venue for Second Round of Near East Conference Still Not Determined"]

[Text] Damascus— Utter disappointment has been the Syrians' reaction to the results of the first phase of the Arab-Israeli talks, held in Madrid. They pin all the blame for the lack of constructive and businesslike discussion on the Israelis, who adopted, according to the local press, a "tough, confrontational stance."

Describing his impressions, Syrian Foreign Minister Faruq al-Shar', who headed the Syrian delegation at the conference, stated that the conference was very significant from the standpoint of "Israel's self-exposure." According to him, world public opinion was able to see for the umpteenth time that Tel Aviv has no intention of revising its expansionist course and remains the chief obstacle to peace in the region. The Israeli delegation, the minister said, used every possible means to try to reduce matters to discussion of secondary problems and demonstrated a manifest reluctance to deal with the crux of the conflict. Faruq al-Shar' stressed that "peace for land," which the Israelis have no desire even to hear about, should be the underlying principle for an Arab-Israeli settlement.

The founding of a new Israeli settlement in the Golan Heights has produced protests in Syria. In local political circles, the Israeli actions are described as provocative to the Arabs and disrespectful to the United States, which has put a great deal of effort into making progress in the Near East settlement and is doing its utmost to keep it going.

Damascus has always smarted at the appearance of new Israeli settlments on the annexed Golan Heights. In the present situation, Tel Aviv's ostentatious act is regarded here as a direct challenge. There is an opinion current among Western diplomats that the Syrians, whose feelings have been insulted, could "fly into a rage" and reject further meetings with the Israelis altogether.

Sub-Saharan Africa

Commentary Sees Botha Trip as 'Eye-Opener'

LD0711183291 Moscow Radio Moscow World Service in English 1730 GMT 6 Nov 91

[Unattributed commentary]

[Text] A look at the past 35 years will suggest that back in 1956, the Foreign Ministry of the then South African Union employed far-sighted diplomats. Upon the closure of the Soviet Consulate in Pretoria, an official in the ministry told the Soviet general consul he believed time would come when nothing would stop both countries' citizens from paying reciprocal visits. Thirty-five years have elapsed and South African Foreign Minister Roelof Botha has come to this country on an unofficial visit, the agenda of which includes a voyage to the Baltic States, a stop-over in the Ukrainian capital Kiev, trips to St. Petersburg and Moscow.

On a purely human plane, this will surely be a remarkable excursion for a man who besides has a gift for poetry. On the political plane, Roelof Botha will benefit too. Although guests are usually bound to hear only compliments, we think it right to recall that in the past Roelof Botha made much effort to draw up the image of a red bear with an itch to force South Africans into the communist creed. Perhaps the minister's trip and meetings in this country will give food for different ideas. Now that the global political climate is changing beyond recognition and the old time dogmas go to pieces, countries need contacts at different levels. In the light of it, we shall hardly agree with those who think the visit is rash and accuse the Soviet Union of betraying the national liberation movement. It is common knowledge South African politicians intensified visits to foreign lands after F.W. de Klerk made public his intention to dismantle apartheid and took practical steps. Direct contacts make it possible for the world community to get firsthand information on changes in the country that spent decades across the thick wall of isolation.

The Black majority movement, the ANC [African National Congress], enjoys the same opportunity. Talks with representatives of various South African political parties in 1988, the sessions of the joint commission for southwest Africa in April 1989, and finally the March 1990 meeting de Klerk and the Soviet foreign minister, have helped stabilize the situation in the south of the African Continent. As for this country's stance on national liberation movements, it has evidenced no alterations, believes the ANC President Nelson Mandela.

The sensational nature of reporting on Roelof Botha's visit may partly be rooted in the unrealistic assumptions Soviet and South African news media harbor. For instance, an observer at the government radio in South Africa went as far as to say the foreign minister's unofficial visit was a proof that Moscow, the old time enemy number one, acknowledged apartheid was almost dead. On the other side, Soviet (Boris Perlyatskin) calls on the pages of the IZVESTIYA for a sort of rushing into diplomatic and other ties between the Soviet Union and South Africa. The two extreme viewpoints are a result of the Iron Curtain that veiled the actual state of affairs. Even Roelof Botha, a lifelong politician, told the Balts the problems they filled him in on were far more complex that he had expected. There is hope the trip to the USSR and contacts at most diverse levels will be an eye-opener to many more things, both for the South African minister and his Soviet hosts. May it improve the decisions that will have a bearing on our prospective ties.

East Europe

Croatian Premier Greguric on Economic Strategy

PM0811091791 Moscow IZVESTIYA in Russian 7 Nov 91 Union Edition p 5

[Interview with Croatian Premier F. Greguric by Mikhail Pas ernak; date and place not given: "Premier Franjo Greguric: Croatia Does Not Need a War"]

[Text] Zagreb-Moscow—The Moscow visit by the Serbian and Croatian presidents and the joint communique adopted on the results of the visit by the USSR and the leaders of the two warring republics shows how keen Moscow is to see a peaceful solution of the tragic conflict in Yugoslavia on the basis of the principles of respect for peoples' sovereign rights and the equality of Serbia and Croatia. This includes, of course, the rights of the latter's 600,000 strong Serbian population.

The interview published below with Croatian government head Franjo Greguric sets out for the Soviet reader the position of the Republic of Croatia, which, in its assessment of the military conflict, contrasts sharply with the viewpoint of the leadership of Serbia and of the Yugoslav Federal Army.

[Pasternak] Mr Prime Minister, what is your assessment of the damage done to Croatia by the war?

[Greguric] Over 40 percent of Croatian territory is in the grip of war. I have to say that we see the actions of the Yugoslav People's Army and Serbian extremists as aggression against our sovereign republic. Not only the homes of our civilians have been bombarded, but medical facilities as well; the republic's industrial potential is being methodically destroyed, agricultural products are being plundered, and tourist industry facilities are being targeted... This goes against the Serbian side's claims about "protecting the interests and rights of the Serbian minority." But Croatia finds it hard to convey this different viewpoint to the Soviet central media, despite the pluralism of opinion that has been declared in the USSR—indeed, all the Soviet correspondents are based in Belgrade, and most of their information about Croatia comes from Serbian sources...

What I have said is not simply a "grudge against the press"; no, it is an assessment of the psychological damage Croatia is suffering as a result of the distortion of its image in the eyes of Soviet people, whom we respect.

As for the material damage to Croatia since the start of the conflict, by November 1991 it had reached $15

billion, according to our estimates. We have lost more than $3 billion in net income this year because of the reduction in tourism alone.

[Pasternak] Now let us leave the military theme. In my view, economic life in Croatia is currently far more interesting than the rehashed front fare served up for Soviet readers and viewers. As Jurica Pavelic, director of the republic privatization agency, told me, you have adopted a most interesting privatization law, more than 3,000 state enterprises are to complete the first stage by June 1992 and change their form of ownership. Will this large-scale work continue despite the war?

[Greguric] Of course, and this is further evidence that Croatia does not need a war, because we have a positive economic program. We do not intend to get rich by annexing other people's territory. All the funds from privatization will go to the Croatian development fund, which we will underpin by setting up a special bank. We will manage the privatization process by economic rather than administrative methods, for example, through blocks of enterpise shares which the agency will buy up (with voluntary consent, of course!). Privatization is impossible in occupied areas of Croatia, they must first be liberated from the aggressors—we hope this will take place in a civilized way, with the international community's help, with as little bloodshed as possible. The principle of inviolability of postwar borders is one of the guarantees of peace on all continents, otherwise one instance will set a precedent...

[Pasternak] Can the republics of the former USSR regard Croatian business as a "young tiger," prepared to take a major risk, to make large investments in their country?

[Greguric] Undoubtedly, Croatian business is prepared to take risks in the USSR, since you are our third biggest trading partner. There has been an appreciable drop in trade this year because of the Soviet partners' payment problems, but I am sure that your difficulties, like ours, are temporary. Our businessmen have many years of experience of work in the USSR and are not going to give in. One recent example of this is the "Slavyanskaya" hotel that was recently commissioned in Moscow by the "Industragradnya" firm.

One hour before your arrival I talked with a group of directors of Croatian enterprises, and one of them, who is in charge of the production of superior cigarettes using German technology, consulted with me about potential partners in the Soviet market. There is the "Rovin" factory, where the equipment is standing idle, and some of the new equipment, contracted for before the war started, is languishing in warehouses. This is first-class business for you too. The cigarettes will be more expensive than "Belomor," of course, but much cheaper than those to be found in commercial stores. There are many examples of this kind. The situation is unique for Soviet partners also because Croatian enterprises, which have lost the Republic of Serbia market, are prepared to sell goods at very low prices since it takes time to reorientate toward the West.

[Pasternak] Because in the present difficult situation the shares of privatized Croatian enterprises outside the war zone will be significantly cheaper, can nonstate Soviet currency holders act as investors and purchasers of shares?

[Greguric] There are no restrictions on ethnic or state grounds, and your new generation of businessmen now have a unique opportunity in the Croatian market.

[Pasternak] Does Croatia intend to acquire Soviet weapons once the war has ended and the republic has embarked on the creation of a regular army, or will the USSR lose your arms market?

[Greguric] We wanted to buy Soviet weapons before the embargo was placed on arms deliveries by the United States and the USSR, but your diplomats failed to display flexibility, in my view. All countries, including the most peaceful and civilized, sell weapons through third parties, and for your world-class military industry it is an opportunity to support an ailing economy with strong "greenbacks," which in such cases are transferred even before the weapon deliveries start. As a result, the dollars that were destined for you by right went to your former Warsaw Pact allies and to other countries. This is because anyone who needs inexpensive Soviet weapons will buy them anyway. We have started to produce Croatian weapons to protect our territory, but this will not solve the problems. When the war has ended and the embargo has been lifted we will buy defensive weapons in the main, air-defense missile complexes, for example. We have had a mass of offers from all over the world, but if your politicians display greater flexibility and less circumspection, your military-industrial firms will find a customer, both for hard currency and for barter.

[Pasternak] Croatian State Bank Director Ante Chichin-Shain [name as transliterated] told me you have lost the opportunity to control the issuing of the Yugoslav dinar. According to Belgrade's official data, over 10 billion dinars per month were issued, with a Croatian annual budget of around 60 billion dinars. Slovenia hastily introduced its own currency—the tolar; this increased the flow of paper dinars into Croatia. What is your assessment of the damage caused by Belgrade's and Slovenia's actions? What measures do you intend to take?

[Greguric] I think Russia is also going to encounter "Croatian" problems if other republics introduce their own currencies without preliminary negotiations, like Slovenia did here. All mutual payments were stopped, in a few days we elaborated and signed an agreement on payments in hard currency, settled some other matters, and in that way minimized the damage as far as Croatian citizens and the budget were concerned. As for Belgrade, our representative has been deprived of his vote on the Board of Directors of the Yugoslav People's Bank.

Without our agreement, they are not only issuing a mass of dinars the economy cannot accommodate, but are also spending hard currency reserves that belong to all the republics. At the beginning of this year, Yugoslavia's currency reserves exceeded $7 billion, now they are less than $4 billion. There is evidence that currency reserves, to which we have made a major contribution, are being spent on the war against us! There is nothing for it. We are forced to ask the EC to freeze the currency and gold reserve that is outside former Yugoslavia, since Belgrade does not have the right to squander what was earned by Montenegro, Macedonia, and all the other republics, including Croatia.

[Pasternak] I talked with your deputy, Zdravko Tomac, and he believes that the Slovene currency will be destroyed by inflation within 6-12 months. Could the new Croation currency, which, if I am not mistaken, you are introducing, end up the same way?

[Gerguric] We have delayed the introduction of our own currency, despite the fact that we are sustaining financial losses. We did this for the sake of the talks under the auspices of the European Community and also to avoid adding currency and financial tension to the political tension in relations and to hold talks with all the republics. We want the former Yugoslavia to be replaced by a free market space, civilized and legal.

As for our currency, plans are in hand. First we introduce a buffer currency—the Croatian dinar. It will stabilize the money supply somewhat and bear the brunt of inflation. For the moment one dollar will be equal to 10 Croatian dinars, but that is an approximate figure, and it could change depending on inflation at the time the new currency is introduced.

In six or 12 months' time or later we will introduce the Croatian kruna. It will be a strong convertible currency, for which we will try to establish a gold reserve. Both the Croatian dinar and the kruna are already being printed in Sweden.

[Pasternak] But capital is continuing to desert Croatia. Do you have any figure on this dangerous process?

[Greguric] I would not say that capital is deserting Croatia. On the contrary, respectable firms in Italy, Germany, Japan, and Taiwan are sizing us up and are making the first cautious investments. Neighboring Austria does not have the same banking potential, but there are many small, active, flexible investors there, who complement the large ones splendidly. In order to raise the tourist industry from the ruins and get it up to the level of $4 billion in annual hard currency revenue, we do not need massive 1,000-room hotels. We have changed our tourist business development tactics, preferring small, comfortable hotels with as many recreational and sightseeing services as possible, so that guests from all over the world can rest, away from the congestion of big cities...

Do not be surprised that the Croatian prime minister is thinking about tourism during a war. It is just that we want peace. It is not impossible that the tension will start abating next January or February. [Greguric ends]

On that optimistic note the Croatian premier ended the conversation in Russian, of which he, who was recently director of the major "Astra" firm and spent four years working in the USSR, has a thorough knowledge, even of slang...

Political & Social

Gorbachev Interviewed on Concept of Union

PM0711165191 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 44, 3 Nov 91 p 4

[Interview with USSR President Mikhail Gorbachev by Len Karpinskiy under the "Dialogue" rubric; place and date not given: "Mikhail Gorbachev: What Is Needed Is a Revolution of Minds"]

[Text] Mikhail Sergeyevich responded instantly and readily to my request to make time for a conversation. I received a telephone call two days later: "Come over."

[Karpinskiy] It has proved far more complex and painful to emerge from the totalitarian formation than we had thought. Who dared to assume that the dismantling of totalitarian structures would result in the collapse of the USSR itself? And, when you plucked up the courage for perestroyka, could you have guessed that the insidious logic of this process would lead to this question: What, in fact, do we want now with a Union president and his center, if there is no Union and there only exists the sum of the sovereign states in its place? Many politicians are expressing themselves in just such a spirit today.

[Gorbachev] I sometimes get the feeling that some people think that the USSR president is once again seeking to "get his hands" on a bit more power. This is an unacceptable assessment right from the start: If that was so I would not have started perestroyka. In my opinion, no one in the world has had or does have more power than I had in 1985. In discussing the new Union, the new role of the republics, and the new role of the center, I do not use the word "center" but speak of Union organs. Some people like to stubbornly endow me with imperial manners. But I certainly do not envision the role of Union structures and my own task based solely on my own wishes. Unless we consolidate on an interrepublic scale what has emerged on the basis of the process of reforming society, we will again have to suppress someone. Without concord, painful civilian conflicts will spread. But I cannot imagine that these conflicts would pressure us to reverse everything and drive the country onto the sidelines, this time for a long time. This is the first point.

Second, In taking the path of reformation it is necessary to grasp what actually happened in history. Let us not think unidimensionally. A far deeper and more stable stratum is formed in history, compared with sediments in the form of types of state and forms of government. The one does not boil down to the other. For example, the economy throughout the country's territory has become interwoven as though people intended to manage it together for all time. And, although the bureaucratic state has exploited and disfigured this joint economy, it really does still exist. After all, the interrepublic agreements on food and fuel were reached recently on this basis.

[Karpinskiy] For some reason an old, now false alternative is being repeated mechanically in a new situation. If there is a center, it is bound to be the kind we were dealing with for decades and, alas, until recent days. The kind that poses a constant threat to freedom-loving peoples and their national statehood. It turns out like this: Either there is independence, and then there is and can be no center; or the center is preserved, and then farewell to independence. But why not imagine the emergence of a fundamentally different center, barely familiar to us, as a structure for ascertaining and coordinating the interests of the sovereign republics and a mechanism for reaching a consensus?

[Gorbachev] I am in full agreement with your arguments. You have touched on the central problem. And what will happen to us in the future largely depends on how it is resolved.

No, the alternative is not whether the republics will be sovereign states (they have already become this) or whether the Union center will be preserved. It is whether we will scramble out of our general misfortune and go further together or whether we will rush in all directions. The republics are linked by no means only by corridors of power, so to speak, through the bureaucratic prosthesis of the party and state apparatus. The ligaments have grown through the entire tissue of the republics' life. So, will we interact through strife and conflicts or by means of civilized cooperation? The totalitarian bureaucratic center, which embodies great power, unifying politics and ideology, has already disintegrated. This is a good thing for everyone, but this must not be confused with the collapse of Union ties. And, consequently, we are talking of a new form of center. Not a despotic center commanding and ordering the republics about but a coordinating center empowered with an intermediary role and endowed with the means for this by the republics themselves. For example, I compare the tasks of the present USSR Supreme Soviet with the mission of the Constituent Assembly during the transitional period.

[Karpinskiy] Comparisons have appeared in the press with community assemblies [skhody], even with the ancient veche [town meeting in medieval Russia], where people freely assemble to work out a consensus. But you, Mikhail Sergeyevich, while maintaining such a position in general terms, also talk about the creation of a new union state with its own superstructures, albeit of streamlined design, and about resuming preparation of a Union treaty and Union constitution. There you will see autonomous Union lawmaking emerging on top of the republic... Won't a new round in the "war of the laws" begin, and what do you mean by a union of sovereign states—a federation, confederation, or some kind of free association.

[Gorbachev] Let's refrain from trying to fit these completely new and unique processes into the old stereotypes. Why can't we allow for the possibility of forming a state which is partly federative, partly confederative, and in some respect associative? The fundamental

change in the post-August approaches has been that we have abandoned universal unification—not only in the principles of the system, but also in the ways of building the new Union. Since it is not to be a unitary state, a unitary method of involvement in that community cannot operate either. Different republics are developing Union relations to a different degree and in a different way, depending upon the extent to which the peoples are ready to link their destiny to the renewed Union. This has happened at every stage of the treaty process of recent time—some sign immediately, without hesitation; while others bide their time and observe.

This also applies to common legal acts, over which you have voiced misgivings, as if the old diktat of the center were being repeated. Here hope is pinned not on authority based on force, but on the force of authority, the authority of decisions which have been voluntarily made after joint consideration. And without any subordination of the minority to the majority, but consensus only. The center does not create a standardized legislation, but on the basis of consultations and expert studies encourages the creation of identical legislative systems in the republics, thereby forming a common legal space. The influence of the center is ensured by democratic means.

[Karpinskiy] In that case your model of the Union is close to the conventional scheme of contemporary pan-European or even worldwide integration, shall we say. Why cannot such integration take place on the basis of reciprocal initiatives by the republics themselves without a special coordinating center? For the sake of argument let us say: Russia and Uzbekistan have reached an understanding between themselves about something or other, or France with Estonia, or Estonia, in its turn, with Spain, Finland, Germany and so on. This is how the system of bilateral and multilateral agreements between countries, including our newborn republic-states will take shape. So why then does one have to single out within this open system of interaction, which encompasses the whole world, a special bloc that is strictly demarcated within the borders of the former USSR, and institute special supreme structures for it?

[Gorbachev] First of all, as I have already said, our peoples have an immeasurably greater commonality in terms of their historic destiny. Second—which stems directly from the aforesaid—they have an incomparable commonality of misfortune which has befalled us within the borders of the former toataliarian state. We have inherited an unprecedented dense web of interrelations. Therefore we need to hold together and to proceed in an especially tight formation.

Yes, among the Russians, in certain groups of politicians, including Boris Nikolayevich Yeltsin's entourage, there are those who think: Russia needs to set up on its own "like everyone else." To shake off these burdens of "special responsibility" for the others and, relying on its own natural resources and its own economic and intellectual potential, to start living autonomously. This latest academic utopia, Len Vyacheslavovich, is a very dangerous illusion. I don't know whether or not you agree with me, but let me say openly: Russia will not by itself be able to drag itself away because it is also dependent on other republics. The danger of this "separatist" plan is determined precisely by the situation today. Maybe in a few years Russia might be able to cope with its problems on its own. But that would be in a few years. For the other republics, including the Ukraine, too, isolationism spells catastrophe.

We have reached a situation where it is necessary to form a union of reliable partners with new institutions. The stereotype whereby such an alliance allegedly prevents the implementation of republic sovereignties is still in force and it threatens us. Is not the opposite the case? I visualize the Union and its structures as a lever for the real guaranteeing of sovereignties, for their actual implementation in a multidimesional space of free association.

[Karpinskiy] The well-known sociological service, headed by Professor Grushin, conducted a poll on the question of whether we need Union structures and, if so, in what spheres should they operate; the economy, defense matters, culture, protection of human rights, and so forth? None of the aforementioned spheres was called into question but immediately there was bewilderment: "Why have you not taken everything into account, there are more spheres of that kind!" For example, ecologists called in to ask why ecology has been forgotten?

[Gorbachev] Recently Ecology Minister Vorontsov came to me, spread out some maps, and said: "Mikhail Sergeyevich, without one another we are nowhere. We need common systems, the representatives of the republics have advocated that themselves. We must pool our efforts."

[Karpinskiy] Strange as it may seem, our military-industrial complex is one of the spheres in need of coordinated measures. It is no coincidence that it is called a complex. Not to mention the armed forces themselves.

[Gorbachev] The implementation of the principles of the new thinking and disarmament processes must lead us to the conclusion: What is the point of such a gigantic army? Why allocate to it such vast means, the best resources, the most skilled cadres, and higher science? You will see that if this does not amount to one-half of society it is a good one-third of it.

I do not believe that we can manage without the military reform. It is dictated both by the global situation and by the fact that we cannot lead a normal life in our over-militarized economy. What are we trying to do, go to war with the whole world? But we must not go to extremes. We need an army—a modern army, capable of guaranteeing the state's security. Thus we must take real care over this army—over the officer corps and over the young men to ensure that when they join the army from school or from home they are not subjected to humiliation and unwarranted danger to their life. In short, we

are close to having a professional army. And such a transformation is hardly possible without coordinated measures formulated in a standardized way.

[Karpinskiy] But on the other hand, why can all these common concerns, which we have inherited from the former Union, not be borne by Russia, which is the "legal heir" to the USSR? Ultimately, does it matter where the focal point of the consolidation is located?

[Gorbachev] As soon as Russia tried openly to issue instructions to the republics, and let us call it that, all the sovereign republics immediately took alarm. What is this, they said, the rebirth of the empire? This was not a display of covert disrespect either for Russia or the Russian people. The majority of the peoples are ready to acknowledge Russia's leadership, only in the form of the new Union and through new Union institutions, where Russia would fulfill its role in practice. Such Union institutions are needed by Russia first and foremost. So that its image and role are perceived naturally in the form of an equal partnership.

I have discussed this question with Boris Nikolayevich Yeltsin. I did not see any differences of principle between us. But note this: Those people who are now presenting this theme in the spirit of Russian "separatism" ["samostiynost"] or its special supremacy over the other republics are suddenly receiving support—and from whom? From people who recently were the most intransigent critics of the Russian leadership itself. Today they are hoping that the Russian president will understand their viewpoint.

[Karpinskiy] Do you not think that two different positions are changing places here? One stems from the people's ideas about freedom and independence, where there is no frenzy of impatience or superiority complex regarding other peoples. The proponents of the other position want to absolutize the national idea: Then no one will issue decrees to them—either from below, from above, or from the side. Thus Yeltsin firmly advocates signing the agreements even though he is also proposing his own amendments. Whereas Kravchuk is vacillating all the time. Before the presidential elections? This is a kind of incantation here: Any problem which becomes embroiled in outside interests connected with the authorities becomes deformed beyond recognition and loses its initial content.

[Gorbachev] If Leonid Makarovich Kravchuk decided to consult with me I would have told him: The time has come for clarification. I do not suspect that he is hoping to play the national card. No. But because of the uncertainty of his positions he may miscalculate. I think that the clarification of relations, particularly between Ukrainians and Russians, must be seen through to the end. Because the greatest difficulty—is in us ourselves. It is in our heads, our customs, our way of life. The need for a mental revolution—that is what always determined my political conduct. I had to take this into account and I still do. I can see better than others the purpose of perestroyka, what is written in the political documents does not fully encompass the scale and depth of the transformations that have been conceived. It was necessary to change the system and I realized that. But if the question had been phrased that way from the very outset without preparing society nothing would have happened. I knew that things were linked to the transition to new forms of life which will lead to collisions. Look at the leading figures in the putsch, they have realized that power arrogated without a mandate from the people does not last.

[Karpinskiy] In this connection, one personal question. How do you view the extent of your own love of power? After all, the power functions of the new Union center will greatly diminish. They will be replaced by functions more consultative than authoritative. Will you accept such a change, could you be happy in your new role?

[Gorbachev] Yes, I can see myself in this new role and I do not intend abandoning active political life. I shall bear my burden to the end.

1917 Revolution Anniversary Celebrations Viewed

Yeltsin, Gorbachev Resignations Demanded

OW0711142391 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] "Shame on the democratic vandals!" "Hands off the Communist Party of the Soviet Union and Lenin!" "Stop squandering the socialist homeland!" Such were the slogans during a demonstration in honor of the anniversary of the 1917 revolution the morning of November 7th in Moscow. The demonstration was organized by the United Workers' Front, the movement "Union for Leninism and Communist Ideals," the youth organization "Communist Initiative" and the Union of Moscow Workers.

Gathering at the monument to Lenin on Oktyabrskaya Square, the demonstrators accused the Soviet and Russian Governments of causing the country's economic problems and of destroying "the achievements of socialism." Resolutions were made to demand the resignation and trials of Mikhail Gorbachev and Boris Yeltsin, and to return power to the workers of the country, in an appeal for "the removal of power from the new exploiters."

The columns of people, totaling between 30 and 40 thousand, (among whom there were some participants in the military parade on November 7, 1941) moved towards Red Square where they once again demanded the immediate removal of the Soviet and Russian presidents and the transferal of power to "workers' soviets."

Demonstrators Observed

LD0711165891 Moscow Central Television First Program Network in Russian 1248 GMT 7 Nov 91

[Excerpts] Everyone welcomed 7 November in different ways. Some queued for bread, some watched what was going on from their windows, and others went to meetings. At 0900 [0700 GMT], a meeting was held in Oktryabrskaya Square, red flags held aloft, on the initiative of the Working Moscow Movement, the United Front of the Working People, the Unity for Leninism and Communist Ideals Association, and the Communist Initiative, effectively a Komsomol organization. The speakers called for socialist principles to be adhered to and the gains of October defended. Unfortunately, there were some slight excesses. At the end of the meeting the demonstrators moved in a procession towards Red Square where there was another brief meeting. [passage omitted]

Down with Gorbachev and Yeltsin! A placard bearing this inscription was snatched away from a demonstrator even before the meeting in Lubyanka Square began, in the belief that this slogan is untimely and provocative. Incidentally, unlike the Communists, the representatives of the coalition of Russia's democratic forces have never believed that 7 November is a festival that is always with them and they decided to use it to commemorate all who fell victim to Communism in the 74 years of Soviet power. It goes without saying that the speakers date our ills from the shot fired by the Aurora. The democrats detect the tendency to reject others' opinions, which was engendered by the revolution, in the current activities of the Movement for Democratic Reforms, which they refer to as the liberal communists. The militia estimate that they were about 2,000 people in Lubyanka Square. The demonstrators then went on to the chapel which stands in for the Church of Christ the Savior where a service was held. [video shows Oktyabrskaya Square meeting with red flags and slogans: We will not allow the cause of Lenin to be profaned. No to the falsifiers! Sobchak, Popov, Stankevich, Gonchar—you have betrayed the great Lenin. The people will not forgive you! War and labour veterans. Power to the working people. Down with the mafia! Over to Lubyanka Square: controversial banner not seen; candle burning near Solovetsk stone; Russian national flags; poster of Lenin with large X over face; marchers led by lowered Russian flags]

'Hands Off Lenin!'

LD0711171191

[Editorial Report] Moscow Central Television First Program Network in Russian at 1248 GMT on 7 November broadcasts a two-minute live report from Red Square abandoned now by the reinforced militia and with the barriers removed. Only curious visitors and the media, still waiting for something to happen, and small discussion clubs remain, and were entertained by the appearance of Vladimir Zhirinovskiy who promised to deal with the Democrats, handed out autographs, and declared that no one has the right to act without the people's permission.

At 1000 GMT, representatives of movements regarding themselves as of patriotic and socialist persuasion arrived in the square. They shouted: "Down with... and hands off Lenin!" Singing the Internationale they moved to the mausoleum where they were all able to lay flowers. Those defending the mausoleum were very polite and let everyone through, only refusing to let anyone speak from the rostrum. There were speeches, however, including one by the city's communist organization of the USSR Communist Party, banned yesterday by Boris Yeltsin. Overall, the demonstration was peaceful and has now dispersed. The center of Moscow was closed to traffic for only 15 minutes.

Mourners Meet on Lubyanka Square

OW0811045791 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] A demonstration of mourners met on November 7th on Lubyanka Square, organized by a coalition of Moscow's democratic forces. Leaders from the Russian Christian Democratic Movement (RCDM), the Constitutional Democrats, the Moscow division of the Democratic Party of Russia, the Russian Social-Democratic Party, and the Russian Republican Party all took part in the demonstraion.

After the demonstration about 1500-2000 people went to Volkhonka, where the Church of Christ the Saviour was destroyed in 1981. The church had been built in honor of the Russian people who had died during the victory over Napoleon in the nineteenth century.

Co-chairman of the RCDM, Victor Aksyuchits, told an INTERFAX correspondent that the organizers of the November 7th meeting wanted to make this a day of remembrance of the victims of red genocide and a day of social reconciliation.

Any demonstration by a coalition in Moscow's center was at first forbidden, and permission was granted only Tuesday [5 November] evening.

In Mr. Aksyuchits' opinion, the city powers think that the coalition of Moscow democratic forces is an anti-democratic organization. "The politicians in Moscow, and basically in Russia as well, are liberal-communists, who pretend to have a monopoly on democracy," Mr. Aksyuchits stated.

Observances Viewed

LD0711141791 Moscow TASS in English 1340 GMT 7 Nov 91

[Text] Moscow November 7 TASS—A rally outside the KGB Headquarters in Moscow's Lubyanka Square today

honoured the memory of "all who fell on the fronts of internecine strife, all who perished in labour camps, prisons and exile, all those killed innocently".

The assembly at a memorial rock from northern Solovki, the site of infamous Stalin labour camps, was sponsored by the city's coalition of democratic forces and was keynoted by the slogan: "Forgive us, crucified Russia".

A mourning service was performed after the speeches with the blessing of Patriarch Aleksiy II of Moscow and All Russia. The procession then went to the site where a new temple of Christ the Saviour is to be built for a religious service.

Nakhodka—Unlike previous years, only a third of Vladivostok's main square was filled as people gathered to the accompaniment of Internationale for a Revolution Day rally.

Participants, mostly war veterans, came with streamers that said: "The October Revolution is not to blame. We are guilty before it", "We shall not let Lenin's name to be desecrated" and "Let's protect the ideas of the October Revolution".

Irkutsk—Irkutsk, a Siberian city of 650,000, marked the 74th anniversary of the Bolshevik revolution in a more than modest way, with some 200 people answering the call of the local council of war and labour veterans and coming for a festive rally at the foot of a monument to Lenin.

Almost ten times as many, however, attended a revolution day rally in Angarsk, the Irkutsk region's second largest city, vowing to defend "the values of the October Revolution" and support the "Communists for Human Rights" movement recently launched there.

Ashkhabad—Turkmenian President Safar Murat Niyazov congratulated the people of his Central Asian republic on Revolution Day in a televised appearance on Wednesday [6 November] night.

"The October Revolution," he said, "enabled the Turkmen people to create their own statehood. Our fathers and grandfathers gave their lives for it. Despite excesses in politics by the former administer-by-command system, we should not be ashamed of our past."

More Observances

LD0711214391 Moscow TASS International Service in Russian 1610 GMT 7 Nov 91

[Text] Moscow, 7 Nov (TASS)—**MOSCOW**

Answering the call of the "Working Moscow" [Trudovaya Moskva] movement, representatives of the capital's labor collectives and of a number of public organizations, as well as war and labor veterans, went to Red Square today to mark the 74th anniversary of the October Revolution and to say a decisive "no" to the collapse of the country, the restoration of capitalism, and the impoverishment of the popular masses. After flowers had been laid beside Lenin's mausoleum, a brief rally took place. Then columns walked across Red Square in time to the music of an orchestra.

MINSK

Several thousand Minsk residents, among whom people of pension age were clearly predominant, laid flowers beside Lenin's monument in the republic's main square. Orators spoke of the immortality of the idea of October and of their readiness to stand up for Lenin's ideals. Representatives of the Belarusan Popular Front from the city's executive committee withdrew their demand for a rally.

VILNIUS

Representatives of the Committee for the Consolidation of Left- Wing Forces in Lithuania, the civic movement "Vienybe-Yedinstvo- Jednosc," labor collectives and the public in the city, as well as war and labor veterans, laid flowers beside the surviving monuments to those who fought for the sovereignty of the people in Lithuania. On the eve of 7 November, leaflets were illegally distributed in Vilnius and other towns. They pointed out, specifically, that, "by refusing to enter into an economic community with the Soviet Union, the republican rulers are subjecting the people of Lithuania to new and unjustified ordeals in life."

SMOLENSK

A service for the innocent people who were killed during the revolution and for the millions of victims of the October coup and the subsequent repressions was celebrated today in Smolensk's Cathedral of the Assumption. The initiators of the occasion were members of the "Democratic Russia" movement. They proposed that 7 November be declared a day of universal reconciliation.

TALLINN

A gathering of representatives of labor collectives along with war and labor veterans, dedicated to the October anniversary, took place today in Tallinn under the guise of a meeting of Supreme Council deputies with the electorate. It was attended by over 1,000. This subterfuge resulted, evidently, from the fact that 7 and 8 November do not constitute a holiday according to the calendar of notable dates that is in use in Estonia, and few people risk observing it openly. Those attending the gathering laid flowers beside the spot where a monument to Lenin stood until quite recently. It was removed shortly after the collapse of the coup in August.

More on Events

LD0711191491 Moscow All-Union Radio Mayak Network in Russian 1417 GMT 7 Nov 91

[Editorial Report] Moscow All-Union Radio Mayak Network in Russian at 1417 GMT on 7 November in a

four-minute report broadcasts a a brief account of events taking place in various USSR cities marking 7 November.

In Minsk, several thousand city residents, among which elderly people clearly predominated, laid flowers at Lenin's statue on the main square, before holding a meeting in Gorkiy Park. Those speaking said the ideas of October are immortal and defended Lenin's ideals.

In Yekaterinburg, the people were indifferent to today's events. Only a small group of people attended an event to commemorate the victims of Communism and less than 200 people atended an organized meeting.

In Volgograd, flowers were laid at Lenin's statue.

In Arkhangelsk, people were more interested in trying to buy food and alcohol than in participating in any meetings.

The situation was similiar in Krasnodar where due to recent price increases many people set off for their d-chas in order to work on their own plots of land.

In Kaliningrad, a meeting was held to mark the anniversary of the October Revolution attended by several dozen veterans, who laid flowers at the Lenin statue on Victory Square and declared their loyalty to the ideals of Socialism and Communism. The speakers condemned Yeltsin and Gorbachev. A poster held by a teacher demanding a communist building be handed over for a musical school was torn down. The meeting ended with the singing of the Internationale.

Probably 'Last Time' Observed

OW0711212591 Moscow INTERFAX in English 2015 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] On Thursday [7 November] the Soviet Union commemorated the anniversary of the 1917 socialist revolution, probably for the last time. This year November the seventh, in earlier times the USSR's greatest national holiday, proceeded without military parades or crowded celebratory demonstrations.

A mourning session was held in front of Moscow's KGB building to honor the victims of the "red genocide."

On Thursday in St. Petersburg, people gathered at a mass meeting to celebrate the return of the city's historic name. St. Petersburg Mayor Anatoliy Sobchak called on all the city's residents to support the rebirth of "Russia's second capital" and give it back the glory of being a "window to Europe."

Comments on Anniversary

LD0711194991 Moscow All-Union Radio First Program Radio-1 Network in Russian 1700 GMT 6 Nov 91

[Commentary by Andrey Ptashnikov]

[Text] You know, today is an unusual day. The most remarkable event today is, perhaps, the absence of the event. This is ironic, but this is a fact. For the first time in many, many years, Moscow is not holding and broadcasting for the whole Union a solemn meeting devoted to another October anniversary. Neither the Great Fatherland War, the Khrushchev thaw, nor the first years of the Gorbachev perestroyka encroached upon this ritual. But life itself has demolished the habitual stereotype. There are no portraits, flags, or illumination in the streets today, only the glare of advertisements of foreign companies. Otherwise, the daily, but very difficult, Moscow life is under way. No argument, nowadays the attitude to the October Revolution in society is not what it used to be. The festival has lost it former meaning for many people. True, though, while handing awards to cosmonauts, workers, peasants, and scientists in the Kremlin today, the USSR president spoke in favor of preserving the October traditions. He asserts that through transformation we are returning to the values which people stood for under October flags.

Further Details of Events Prior to Coup

Gorbachev Warned

LD0611140391 Moscow TASS International Service in Russian 1255 GMT 6 Nov 91

[Text] Moscow, 6 Nov (TASS)—Two months before the August putsch the Soviet president was warned by U.S. Secretary of State James Baker of the plot which was being hatched. The warning, referring to U.S. intelligence sources, was given on 20 June in Berlin during an unofficial meeting between the head of American diplomacy and Aleksandr Bessmertnykh, USSR minister of foreign affairs. It is even probable that the names of the likely putschists were given. This is reported by NOVOYE VREMYA magazine in its Issue No. 45, which will reach subscribers next Friday.

The magazine notes that while still in Berlin Aleksandr Bessmertnykh took measures to get this information immediately to the president. On his return to Moscow, the minister once again discussed this topic with Mikhail Gorbachev. "All this manifestly worried the president. But he did not give the impression of panicking," the former head of the country's foreign policy department recounts.

Prime Minister Pavlov's demarche in the country's Supreme Soviet, when he demanded emergency powers, having beforehand deprived the president of them, and the statements by Kryuchkov, Yazov, and Pugo, justifying the need for the immediate introduction of a state of emergency— it was these, the NOVOYE VREMYA observer believes, that were indeed the start of the first putsch, of which the anxious Americans had given warning. There have been situations in the history of Soviet-U.S. relations, Aleksandr Bessmertnykh told the

journalist, when Moscow, too, shared this sort of information with Washington—this is a special level of confidence. "We passed on reports we had had about possible difficulties for the U.S. president", he said.

Gorbachev Isolation Confirmed

PM0711141791 Moscow PRAVDA in Russian 6 Nov 91 pp 1-2

[Article by V. Andreyev under the rubric "The State Committee for the State of Emergency Affair": "Everything in Order. Phone Cut Off!"]

[Text] I have in my hands a unique document which I could never have seen had times not changed. The "technical journal of the government communications station" sheds light on President Gorbachev's three days in isolation and reaffirms: Communications at Foros were well and truly "severed."

As the reader will recall, all government communications, the best kept secret of all (and there should be no doubt on that), were under the control of the USSR KGB Government Communications Directorate. It was led by Lieutenant-General A. Beda, a man with a truly military demeanor, well disciplined, "the very model of a modern lieutenant general," as his subordinates used to say of him, noting his sprightly bearing despite his age.

You can guess all you like but one thing is clear: Having received an order from his superior, A. Beda conveyed it to his subordinates. The log entry reads: 18 August. 1750: order from A.G.Beda—communications channels from Moscow, Kiev, Sevastopol, and Simferopol to Yalta and Foros are to be switched to manual control." In this case, "manual control" means telephone connections via the switchboard operator alone. But the order to the switchboard operator was: "Make no connections!" It is easy now to be brave with hindsight and say: "But I could have disobeyed that order..." But this is a thankless task—attacking people standing somewhere on the lower rungs of the government Communications Directorate ladder. Ultimately, as specialists told me, the majority of them did not know where the line went and what line it was. They test the line when ordered to do so, they connect or disconnect when ordered. As for who is talking to whom and, even more so, what they are talking about is something they are not supposed to know, it is a state secret. And as for contradicting an order...

At 1514 hours on 19 August another order came: "Disconnect the special telephone line to Comrade Yeltsin." And 15 minutes later his telephones in the Kremlin, Krasnaya Presnya, his apartment, and Sosnovka, and elsewhere (undiscriminatingly—V.A. note) were unplugged.

At 2208 hours on the same day, Washington requested communication between Bush and Gorbachev. The request was conveyed to the leadership. The reply: "Suggest you speak to acting president Comrade Yanayev." The U.S. side declined to speak with Yanayev. "Only Gorbachev will do."

The final entry in the log on day one of the putsch was made at 2230 hours. Everything was quiet at the station until the morning of 20 August, judging by the lack of log entries. Personal comments are not recorded in the log. The following entry was made at 0644: "Leningrad, Comrade Kurkov (former chief of the KGB Directorate for Leningrad city and oblast—V.A. note), all restrictions on connecting subscribers lifted. Report made..."

'Prehistory' of Gorbachev Criminal Proceedings

PM0711144391 Moscow PRAVDA in Russian 7 Nov 91 p 6

[Report by G. Ovcharenko under the rubric "Returning to What Was Printed": "Rebellious Prosecutor Dismissed, But for What Reason?"]

[Text] When the editorial office received a photocopy of the resolution by V. Ilyukhin, chief of the administration to oversee the implementation of state security laws, on the institution of criminal proceedings against M. Gorbachev based on Article 64 of the Russian Soviet Federated Socialist Republic Criminal Code, I could not believe my eyes and decided to telephone Viktor Ivanovich at once. Unfortunately, I did not find him in. Then, in the presence of members of the PRAVDA Editorial Board, I telephoned USSR General Prosecutor N. Trubin. I had quite a remarkable conversation with him.

[Ovcharenko] Nikolay Semenovich, do you know that Ilyukhin has instituted criminal proceedings against Gorbachev?

[Trubin] Yes, I have heard, but I have not yet seen the resolution itself.

[Ovcharenko] Do Ilyukhin's powers allow him to institute such criminal proceedings?

[Trubin] They do, but he should not have done this.

[Ovcharenko] Why?

[Trubin] He is not taking account of the political situation.

[Ovcharenko] Eh?

[Trubin] But do you want to publish Ilyukhin's resolution? That must not be done: Now that the existence of the Union Prosecutor's Office in general is under discussion, this would be stabbing the USSR Prosecutor's Office in the back.

[Ovcharenko] Nikolay Semenovich, we are prepared to publish your commentary in an issue together with the report on the institution of criminal proceedings...

[Trubin] I have not yet seen Ilyukhin's resolution, and so I have nothing to comment on.

[Ovcharenko] Where is Ilyukhin now?

[Trubin] We are looking for him ourselves, but tomorrow he will be ignominiously on his way out from the prosecutor's office. And there is no need to publish anything...

[Ovcharenko] Nikolay Semenovich, let us speak again in the morning, for we are ready to give you any space in the issue for a commentary.

[Trubin] OK, let's discuss it in the morning. [Trubin ends]

But then, on the evening of 5 November, I heard an account of a statement by the USSR general prosecutor on the Russian television program "Vesti." It at once grated upon my ears: How can Nikolay Semenovich rescind the resolution on the institution of criminal proceedings if he has not seen it? Or did they have time during these evening hours to send it over from Vadim Bakatin's department? And again: How could N. Trubin regard the information in PRAVDA as "calculated exclusively for a political scandal," if the newspaper of which he was speaking only appeared the next day?

I wanted to put these questions to the USSR general prosecutor yesterday morning. But he proved adamant:

"No interviews," Nikolay Semenovich declared strictly. "I have already told TASS everything I wanted to..."

This is the prehistory, so to speak, of the publication of the item "Criminal Proceedings Against the USSR President." I think it will be of considerable interest to readers.

Now about the crux of the matter. Yesterday one newspaper evaluated Viktor Ilyukhin's action as a provocative demarche. And N. Trubin's prediction has come true: Yesterday V. Ilyukhin was dismissed from the prosecutor's office organs. However, Viktor Ivanovich knew what he was doing and knew what awaited him.

But I personally doubt now that our country is moving toward a rule-of-law state. For, if you think about it, V. Ilyukhin is being persecuted only because he upholds the supremacy of the law and struggles for observance of the USSR Constitution, which has not yet been rescinded by anyone, and also of legislation which is still in force.

And again: In a rule-of-law state all are equal before the law. And I will belive this if our president reinstates V. Ilyukhin in his post tomorrow.

However, a legal appraisal of this conflict has still to be made. PRAVDA, let us repeat, is ready to listen to all the interested sides, as the saying goes.

Barranikov Interviewed on Changes in Functions

LD0711142591 Moscow Central Television First Program Network in Russian 1937 GMT 6 Nov 91

[Interview with Viktor Pavlovich Barannikov, USSR minister of internal affairs, by correspondent Yu. Krauze, place and date not given—recorded]

[Text] [Krauze] Viktor Pavlovich Barannikov, Union minister of internal affairs, stated at a news conference today that rumors about his ministry's dissolution are very much exaggerated. And so, the Union Ministry of Internal Affairs remains, but it is clear that its functions will undergo a very substantial revision. Basically, what will these functions be?

[Barannikov] Yes, indeed, on 4 November the State Council examined the issue and put forward the concepts for the USSR Ministry of Internal Affairs. It endorsed the ministry's statute, the statute of the internal troops. It must be said that the ministry, having been a command-administrative ministry, is changing its functions radically, is changing its functions cardinally. The main aspect here is the coordination of the campaign against crime, methodological assistance, analysis and forecasting, work for the republics.

[Krauze] But, will it also have some functions of its own, directly concerned with the campaign against crime?

[Barannikov] Yes, the Ministry of Internal Affairs is retaining the function of combating interrepublican and international crime. This is the main function in combating crime which the ministry is retaining. But, again, it is coupled with coordinating all issues and interacting with the republics, the sovereign republics.

[Krauze] Well, it is not just the State Council, on which, after all, politicians sit, that gave its support to relations of this kind, but also professionals; they supported them, too.

[Barannikov] You know, for the first time in all of the history of the ministry and its organization, or, shall we say, its structure, or the concept and the development of the structure; for the first time in its entire history the ministry, or, rather, the concept was elaborated from below.

Our first meeting with republican ministers of internal affairs took place on 30 August. Very serious proposals were made there; the gamut of views was very extensive. Subsequently, a large group was set up. It prepared and collated these proposals and prepared a concept which was discussed from below; that is to say, it was sent to all republican ministries of internal affairs.

Subsequently, on 24 August [as heard], at a joint conference, at a joint meeting of all republican ministers of internal affairs, on 24 October [as heard] a protocol was signed and all proposals concerning the statute of the USSR Ministry of Internal Affairs were approved. And,

on the way to attend the State Council, I already had a document signed by all the ministers of internal affairs of the republics.

[Krauze] Rare unanimity, is it not? But, still, what specific tasks in the area of combating crime will be the Union ministry's responsibility?

[Barannikov] Well, I already have said that the main thing is the interrepublican and international fight against crime and the drug business; let us put it this way. This is, primarily, a fight against organized crime. This will be the USSR Internal Affairs Ministry's responsibility. But, again, this does not mean that the republics will not deal with it. When the question arises of giving practical help, at the request of the republics, in the fight against international and interrepublican crime, our forces will then come into action.

[Krauze] Do you have doubts that, when conducting some serious Union-scale operation, much time will be spent on approvals and persuasions?

[Barannikov] No, I do not and I can tell you why. All of these issues will be specified in agreements. We have prepared draft agreements at the government level with all republics, and this issue of a procedure for, or the direction of, organizing interrepublican crime-fighting operations will be one of the clauses. This will be noted in the government agreement, and I believe that there is no need for approvals. Criminals commit crimes and they do not observe republican or state bounds. We must work so as not to waste time on approvals, but to respond in a second. And I believe that the results of our joint crime-fighting activity will depend on that to a very serious degree. We believe that this formulation of the question today, taking into account the declaration of sovereignty by republics and the legislation of each republic—the republican legislation of each republic—is very important today. The common concord that we have attained together with all republics is very important.

[Krauze] In your view, is the reform that is being implemented currently a truly major step forward in the cause of organizing the fight against crime or, rather, a reaction to sovereignties or merely a need of the present moment?

[Barannikov] No, I would say that it is exactly the realities of life which have forced us today to approach a solution to this issue. You see, the point is, and I repeat it, that the ministry which we used to have cannot exist today. It does not even have the right to exist, let us put it that way. But, naturally, the ministry's functions have changed radically, taking account of the realities of life. They have been divided into two groups: the group connected with coordination, and that which relates directly to involvement in and the organization of work in the fight against interrepublican and international crime, let me repeat it again. Those are the two directions.

[Krauze] I would like especially to ask about the internal troops. You know perfectly well how many accusations are being made in the republics regarding the involvement of servicemen from one republic in operations in another republic. Won't additional problems arise with the present organization? If interrepublican troops are to remain, won't similar problems remain too?

[Barannikov] Indeed, the reform—and let me say bluntly that it is a radical reform—of the internal troops has been approved by the State Council. We are making the following directly subordinate to the republics: internal troops connected with guarding corrective labor institutions and special motorized militia units connected with escorting arrested and detained persons. They are passing directly to the authority of the republics, and the interior minister has complete autonomy in using those troops.

At the same time, we raised the matter of this section of the internal troops in our policy document, saying that this category of internal troops must not intervene in interrepublican conflicts.

The second section of the internal troops, the so-called interrepublican internal troops, are a part of the internal troops which will be involved. First, they will be subordinate to the State Council alone. Second, they will take part in matters relating primarily to emergencies, by which I mean earthquakes, technological catastrophes, and other crises. At the same time, they also will be involved in maintaining public order and in settling interethnic conflicts. But I want to repeat again that this will happen only after a decision by the State Council. All the same, I am certain that the entire law-enforcement system, taking account of its reorganization—and let me say bluntly that it is a global, profound reorganization in this short space of time. [sentence as heard] Why? Because, as you well understand, since 19 August, following the suppression of the putsch, the sociopolitical situation has changed drastically, and today it compels us to look completely differently at the situation in the country. It is not by chance that we view the reform of the Union Ministry of Internal Affairs from a political angle today, from the angle connected with the economy and with sociopolitical relations. We have proposed and confirmed at the State Council the outline for the Ministry of Internal Affairs.

[Krauze] Viktor Pavlovich Barannikov is the 20th Union minister of internal affairs, and the first to have come to the militia from the militia.

Further on Foreign Ministry Reorganization

Churkin Interview

LD0811145191 Moscow All-Union Radio Mayak Network in Russian 0930 GMT 8 Nov 91

["Part one" of interview with Vitaliy Ivanovich Churkin, chief of the USSR Ministry of External Relations Information Directorate, by radio observer Viktor Levin; place and date not given—recorded]

[Text] [Levin] Vitaliy Ivanovich, I think there is every reason to say that the State Council's decision on organization of Ministry of External Relations can be viewed as a victory for common sense. At the same time, however, I would like you to explain why we need a united foreign policy? By us I do not mean only the employees of the Ministry of External Relations and journalists specializing in international affairs, but all the citizens of our country. I would say, half-jokingly, that the employees of the Ministry of External Relations and journalists specialising in international affairs actually could have found it more interesting if there were 12 foreign policies; there would have been 12 times more work for both the diplomats and the journalist-internationalists. Here we have to deal with the question, first of all from the point of view of the interests of the people, interests of our country in the most difficult, dramatic period of its development. I think that we already have more than enough problems without creating new ones. It seems to me that to try now to break up the common foreign and foreign economic policy into 12 separate policies would be extremely dangerous because it would lead to even greater disruption of our country's already shattered ties with the world surrounding it.

Vitaliy Ivanovich, you said common foreign and foreign economic policy. These two directions must merge now.

[Churkin] Yes, indeed, this is the new element that has emerged as a result of the 4 November State Council meeting. In accordance with the decision of the State Council, the trade representations abroad are to be eliminated, but political-economic departments will be set up in the USSR Embassies which will have consultative and analytical functions in the area of foreign economic ties. Meanwhile, commercial operations will be carried out directly by the subjects of market relations. This means that we are talking about a considerable reduction, I would say, of the bureaucratic apparatus, and what is probably more important, of bureaucratic functions in the area of foreign economic ties, which at times did very little to help, or which actually hindered the process.

[Levin] As far as I know, the Ministry of External Relations tackled these questions to a great extent.

[Churkin] Obviously, our involvement in foreign economic matters now will become much deeper and more precise than before. I would like to draw your attention, since we are talking—although this is probably not an exact term—about the unity of foreign economic policy, that at this moment it seems to me to be especially important from the point of view of the interests of the country and our people. As we know, the process of joining the Soviet Union to international monetary and financial bodies was very painful and complicated. Not long ago a decision was made on associate membership of the Soviet Union in those organizations. We are on the way to a full membership in those organizations, which will allow us to take a much more advantageous position than at present as far as our economic reforms and interaction with the outside world are concerned, and let us say this directly, as far as the inflow of capital and credits into our country is concerned. So I believe that it would be simply dramatic if we destroyed our foreign policy and foreign economic policy unity, by sharply shifting to 12 independent foreign policies and foreign economic policies. Here I would like to specify that I don't want to give the impression that we are talking about hindering the initiative of the republics in their foreign economic ties. This is not what we are talking about. We are talking about reality, and reality is such that in the international financial institutions only a united membership of the Soviet Union is possible.

[Levin] During the recent meeting in Moscow with the deputy finance ministers of the seven leading capitalist countries, the question of the unity of financial responsibility of the Soviet Union was put very sharply by our partners. And they made it clear that they want to deal only with a single body.

[Churkin] They undoubtedly are worried who is going to pay the existing debts, and who they must deal with under current conditions. They would like to keep the partnership links they already have, and especially on a large, interrepublican scale. Here they see absolutely specific individuals with whom they have worked already and are ready to continue working.

Diplomats Canvassed on Cuts

PM0711132591 Moscow KOMSOMOLSKAYA PRAVDA in Russian 6 Nov 91 p 3

[Roundup of reports by correspondents Ye. Chernykh in Prague, Ye. Ovcharenko in New York, and Ye. Savishchev in Bonn; published under general headline: "Come Home. How Soviet Diplomats Feel After the Decision To Reorganize the USSR Foreign Ministry"—first paragraph is TASS report]

[Text] Prague—"The decision to reorganize the Foreign Ministry did not catch us unawares," A. Lebedev, USSR ambassador to the Czech and Slovak Federal Republic, said. "We ourselves raised the question of cutting back the apparatus in Prague more than a month ago.

"On the other hand, we have had enough of neo-Bolshevism, to call a spade a spade. So much has already been expropriated, smashed, and destroyed in our history. It is not just a matter of a mechanical cutback. We must finally decide what functions belong to the Union Foreign Ministry and the republic foreign ministries and what the embassies are to handle. Once agreement is reached on concept, on the structure, it will be easy to fix personnel the numbers to match.

"There is another point to consider. In the last couple of weeks we have received representatives of many republics in Prague. They come to the embassy. We have helped them as much as we can and I am delighted about that—it means that we are needed. I see that as our task:

to protect the interests of all republics, those who want it, of course. That is the way it must even when there are cutbacks.

"Needless to say, whatever cutbacks may come cannot happen overnight. I do not think that destroying the diplomatic service is a top-priority task to ensure the success of the reforms. The reorganization can quite easily be carried out in phases."

New York—The news of the one-third cut in the Union department of the diplomatic service did not cause people to "start packing out" in New York. Everyone realizes that the Foreign Ministry apparatus must be cut back. However, the specific nature of the work of the USSR's UN mission, where roughly 60 diplomats are employed, is such that the republics will hardly be able to operate efficiently within this international organization without help from the career specialists working here.

Aleksandr Razvin, USSR deputy permanent UN representative, told me:

"We greeted the news of the cuts calmly. It is quite natural that the functions of the big Foreign Ministry should be changed with the broadening of the sovereign republics' rights in developing relations with various countries. It will just coordinate foreign policy, although it should keep specialists to tackle specific issues—disarmament, ecology, international organizations. It would be unprofitable and unnecessary to have such specialists in the republics."

[KOMSOMOLSKAYA PRAVDA] Do you see areas in which cuts could be made here in New York?

[Razvin] Yes, there are areas where cuts can be made in the apparatus, although not in my view by as much as a third. On the other hand, I see this as a cut and an increase: a cut in the Union apparatus, but an increase in republic representation. I am proceeding on the premise that it is very desirable to have representatives of the republics at the USSR's UN mission. Here they would be at the center of world politics, where issues of interest to specific republics are decided. But someone must deal specifically with the republic angle. At present we only have enough personnel to tackle global, general problems.

Bonn—The question of the cutbacks has caused major headaches for many diplomats of the "Pankin" school in Bonn. However, there is still no precise idea here as to how these cuts will be implemented.

A feeling of uncertainty is not of course the best help in one's work. Nevertheless the embassy did not wait for the precious instructions from above but at the start of this year set up special groups of diplomats oriented on working in the interests of the republics: the Ukraine, Belarus, and Kazakhstan. And, needless to say, Russia. We are preparing for the arrival of diplomats representing the Union republics, V.P. Terekhov, USSR ambassador to the FRG, told us; they will also be housed in our embassy.

It only remains to hope that the impending cuts will be implemented objectively.

Foreign Ministers Council Session Viewed

PM0811112391 Moscow IZVESTIYA in Russian 7 Nov 91 Union Edition p 4

[Unattributed report: "At the Council of Foreign Ministers"]

[Text] The latest session of the Council of Foreign Ministers [CFM] of the USSR and Sovereign States, chaired by USSR Foreign Minister B.D. Pankin, was held in Moscow 5 November.

B.D. Pankin reported on the measures designed to radically reorganize the activity of the USSR Foreign Ministry and of Union diplomatic and consular missions abroad in the light of the interests of the Union and of the sovereign states which were examined at the USSR State Council's 4 November session. The basis of the principled approach to such reorganization is a common appreciation of the need for our country to pursue a single foreign policy which integrates the interests of the Union and the sovereign republics and is pursued by them and on their behalf.

The session participants examined draft documents on the demarcation of the competence of, and on the mechanism for collaboration between, Union and republic foreign policy departments, including documents concerning the status and functions of the CFM and its executive secretariat, the activity of authorized representatives of the republics in the USSR Foreign Ministry and of republic representatives in Soviet foreign establishments. It was agreed that the documents be finalized and submitted to the next session of the State Council for confirmation.

There was an exchange of opinions on a number of foreign policy questions, including CSCE problems, the Near East settlement, the Afghan problem, questions of the foreign economic activity of the Union and the sovereign republics, and UN and UNESCO activity.

It is planned to hold by year's end several conferences within the CFM on questions of foreign economic collaboration between the Union and the republics in various spheres.

The following took part in the session: G.M. Sadykhov (Azerbaijan), A.Ye. Yegiazaryan (Armenia), V.L. Senko (Belarus) A.Kh. Arystanbekova (Kazakhstan), M.U. Saralinov (Kyrgyzstan), A.A. Krizhzhanovskiy (Moldova), A.V. Kozyrev (RSFSR), L.K. Kayumov (Tajikistan), A.O. Kuliyev (Turkmenia), M.M. Aripdzhanov (Uzbekistan), and A.D. Buteyko (Ukraine).

Shatalin Addresses Meeting of 'Rome Movement'

PM0711141091 Moscow IZVESTIYA in Russian 5 Nov 91 Union Edition p 4

[Report by Nikolay Andreyev: "Dialogue for Dialogue's Sake"]

[Text] "It would be a good thing to put our leaders in this hall, so that they can listen to normal intelligent people," Stanislav Shatalin said at the Moscow meeting of the "Rome Movement" being held in the Oktyabrskaya Hotel's conference room. It had been proposed that M. Gorbachev and B. Yeltsin participate in this meeting, but they had more important things to do. The subject of debate was extremely topical: What are we to do? Quoting the Internationale—"No one will grant us deliverance, neither God, nor the czar, nor a hero"—Academician Shatalin gave a piece of advice: "Everyone in this country must do his own thing." And he cited himself as a negative example: "I am an economist and should tackle economic problems, but I constantly give interviews and participate in sessions and in some events, and now I have become honorary president of the 'Spartak' Society. This is not right."

Naturally, during the discussion there was talk of what has reduced the country to such a state. In this connection Aleksandr Tsipko asked this question: Could Communism have collapsed in another way? In his opinion, we had a mass of favorable options but chose the most cruel and inefficient way of destroying the old system. V. Maksimov warned that Communism might be exported from East Europe.

The sculptor Ernst Neizvestnyy believes that the misfortunes result from the fact that an absurdity hung and still hangs over us all, in the form of the "base and superstructure." In his opinion, this is the biggest nonsense there has ever been in history. There is simply a single, flexible life. And it is indivisible. Neizvestnyy is convinced that ideological, cultural, and intellectual life produces material objects. In life, however, everything is somewhat different, he admitted. And he cited the example of how, on learning how much cement would go into a monument, a foreman at once worked out how many houses could be built for working people. After that Neizvestnyy concluded: It is necessary to put an end to the inferiority complex associated with the lack of benefits.

KOMSOMOLSKAYA PRAVDA is the organizer of the "Rome Movement's" Moscow meeting, together with the magazine KONTINENT. Vladislav Fronin, the newspaper's chief editor, defined the purpose of the meeting as follows: "Politicians, businessmen, and artists must be involved in the processes of uniting society. We have succeeded in assembling for this meeting people of different views and different convictions and from different republics, and it is coming to light in the course of the debate that we still have a unified homeland. Even for those who live on the other side of the ocean. This means that we can converse calmly and we understand one another."

Bakatin Addresses 'Most Serious Threat'

PM0711124091 Paris LE FIGARO in French 2-3 Nov 91 p 2

[Article by NEZAVISIMAYA GAZETA Editor Vitaliy Tretyakov: "The Russian Democrats Are in Conflict"]

[Text] Last week I met with Vadim Bakatin who, when appointed as KGB head after the putsch, started a reform of the Soviet secret services. I asked him the following question. How can the activity of the special services in the independent republics, formerly members of the USSR, be dangerous since the agents of those new structures worked together in the old system and each of them still has friends on the opposite side? Or, conversely, is the struggle which will oppose them one day not likely to be too effective? Vadim Bakatin did not give me any specific answer. He simply remarked that my question was "frightening."

However, this is the situation in which many citizens of the former USSR now find themselves. They had hitherto served (more or less sincerely) the same objectives and worked in the same structures. They are now forced to do battle with each other.

This struggle is primarily political. On the eve of the putsch, a split appeared in the ranks of the democratic opposition which had hitherto been very united. The group which had been most loyal to Gorbachev organized the Movement for Democratic Reform. Led by Eduard Shevardnadze, Aleksandr Yakovlev, and Gavriil Popov, it separated from "radicals" like Yuriy Afanasyev, Nikolay Travkin, and Garri Kasparov.

The Moscow Democratic Front, which had united during the elections for the Moscow Soviet, also divided. Ivan Silayev, former prime minister in Yeltsin's government, placed himself under Gorbachev's wing and entered into conflict with his former government. The Russian legislature, for its part, is to some extent in conflict with that republic's leadership.

It is against this background that Russian President Boris Yeltsin has just promulgated his economic reform program. This plan has as many supporters as opponents.

Activity has been observed over the past few days among the CPSU members whose activities have officially been suspended. New parties are emerging on the basis of remaining CPSU structures. One of them is headed by Russian Vice President Aleksandr Rutskoy. At the same time, public opinion is making increasingly vigorous demands for the CPSU to be put on public trial. This demand is particularly justified because there are growing reports on this party's "criminal practices."

The new Russian authorities which have emerged from democratic circles are fairly aggressive toward the opposition, especially in the democratic camp. The information ministry headed by Mikhail Poltoranin, a member of Yeltsin's team, who is also one of the candidates for the post of Russian prime minister, even accused NEZAVISIMAYA GAZETA of "engaging in propaganda for war and interethnic hatred."

This ridiculous accusation is based on the newspaper's publication of the interview with Ukrainian Deputy Chairman of the Council of Minister Konstantin Masyk. On the basis of a conversation he had with Boris Yeltsin, he confirmed that the Russian leadership had examined the possibility of a nuclear attack on the Ukraine. In my view we have quite simply approached a particularly delicate sphere of relations between the two republics. It is a sphere in which the democrats governing the Ukraine and Russia have become entangled, out of amateurism and loose talk.

The "shock reforms" announced by Boris Yeltsin are undoubtedly necessary but they have been announced at a time when there is such serious disagreement among the democrats that they are bound to spark off a fratricidal struggle. This is the most serious threat to our young democracy.

Problems in Ownership of CPSU Property Noted

LD0711171691 Moscow TASS in English 1923 GMT 6 Nov 91

[Text] Moscow November 6 TASS—Means, capitals and property, controlled by the Soviet Communist Party and the Soviet State Security Committee, are now actively present on the internal and external markets, stressed an exclusive appeal of the exchange congress to the MOSKOVSKAYA PRAVDA newspaper today.

The appeal was adopted at a meeting of the Soviet public organisation, recently held in Vilnius, the capital of Lithuania.

"The volume of capitals considerably exceeds the declared amounts. These means have no centralized control or owner, who could be responsible for directions of their use," the document stressed.

The exchange congress is concerned over the desire of parties and public organisations to become heirs and successors of means, capitals and real estate of the Soviet Communist Party.

"With these aims, they imitate ideological succession, which may turn into succession of all the attributes of illegal economic and political activities of the Soviet Communist Party," noted the appeal.

Spokesman on Latvian Property Nationalization

LD0711170391 Moscow TASS in English 2211 GMT 6 Nov 91

[By TASS correspondent Yuriy Sizov]

[Text] Moscow November 6 TASS—In connection with the announcement last Tuesday [5 November] of the Latvian parliament's decision that all the estate held by Soviet Armed Forces, Border Guards and interior ministry troops on Latvian territory should henceforth be regarded as property owned by the Latvian Republic, the Soviet presidential spokesman, Andrey Grachev told TASS that "decisions on such matters cannot be made unilaterally".

He stressed that "the most important matters are in question, which are, along with an entire range of other matters, an integral subject of bilateral talks, which are being conducted by specially authorized official delegations

Risks of Nuclear Facilities, Waste Exposed

Nuclear Risk Map Published

LD0711181191 Moscow Radio Moscow World Service in English 0000 GMT 7 Nov 91

[Text] The Soviet Union has, for the first time, published a map showing areas affected by nuclear accidents as well as uranium mines, the burial sites of nuclear waste, harbors with nuclear ships, plutonium producing plants, and other facilities posing additional nuclear risks. Radio Moscow's reporter Aleksandr Putko saw that map in the Committee for Ecology of the USSR Supreme Soviet. This is what he said: Just recently such a map would have been top secret. Today, there is every sign that it may become available to the public at large in the near future. The map was drawn up by a group under People's Deputy of the USSR Aleksandr Penyagin. The map shows areas that are totally unliveable. The radiation background there is higher than 40 curie per one square kilometer. The color is red. Vaster green areas show areas where the conditions are unliveable, too, although the level of radiation there is lower. It ranges between 15 and 40 curie. Living in areas painted yellow is possible, but risky. Under the laws of Russia, Belarus [Belorussia], and the Ukraine, the population of such areas is entitled to financial compensation. Fortunately, these areas are not big as compared with the country's whole territory. The map carries many other signs. A black triangle near Moscow shows a burial ground of nuclear waste. Aleksandr Penyagin says that the legislature will need the map to work out future laws:

[Begin Penyagin recording] Before we can start examining the Law on the Use of Nuclear Power and Radiation Safety we must have a clear idea of what our country is like from the point of view of the nuclear risk and how much it will cost to enforce the law. For instance, if we say that people living around a nuclear power station should receive compensation for the risk they take, the

same rights must be given to people living in areas where the reactors of nuclear powered submarines, ice breakers, and other ships are refuelled, just as to people who live in areas where nuclear bombs are made. We still have a very vague idea of what the radiation situation is like. [end recording]

Probably Aleksandr Penyagin's map will make people in power in this country and abroad think about the nuclear danger in earnest. Aleksandr Penyagin has told me that he would like to see radiation situation maps published in all countries—when we bring them all together we'll be able to see what our planet is like from the point of view of the nuclear risk. This would help take concerted and effective action.

Burial Site Problem 'Worse'

PM0711143691 Moscow KOMSOMOLSKAYA PRAVDA in Russian 6 Nov 91 p 1

[Report by V. Karkavtsev: "KGB Shows Its Cards"]

[Text] Following a series of articles in the central and local press about the state of nuclear burial sites in the Novaya Zemlya region, Murmansk's state security staffers have decided to have their say. Twice in the past year they have reported to the highest echelons that this problem is getting worse. The memorandums from Murmansk have M. Gorbachev's stamp on them—the country's president instructed D. Yazov and other senior officials at the time to find acceptable solutions.

"The radioactive dumps in the Arctic are now a broth spoiled by too many cooks," KGB directorate staffer Gennadiy Moshkov says. "Departments with nuclear waste have only one aim—to dump it as far away as possible.

"This is why we have decided to publish our information: The monitoring of nuclear waste burials should be immediately transferred to a single authority."

Gorbachev Meets With Religious Representatives

OW0811010991 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] At a meeting in the Kremlin on November 6th with representatives of religious denominations, Soviet President Gorbachev welcomed the idea of creating the inter-denominational social organization "Council for Spiritual Rebirth." The conversation dwelled especially on the council's peace-keeping role in helping to solve disputes.

The creators hope to have their new organization registered by the end of the year. To coordinate activities, a permanent center will be created to concentrate on acts of charity and the development of a program of moral rebirth for society.

As was earlier learned, the initiators intended to offer Gorbachev the position of honorary chairman of the council, however, there was no talk of this during the meeting yesterday.

Gorbachev Presents Awards, Honorary Titles

LD0711224991 Moscow Central Television First Program Network in Russian 1630 GMT 7 Nov 91

[By correspondent V. Stepanyuk; from the "TV Inform" newscast]

[Text] Heroes' stars were presented by the president to cosmonaut-pilot Anatoliy Artsebarskiy; Lieutenant-Colonel Valeriy Burkov; Anatoliy Barkhatov, a Krasnoyarsk worker; Academician Mikhail Shults; and also to the leaders of a number of enterprises and collective farms. Distinguished awards were conferred on Kazakh cosmonauts Toktar Aubakirov and Talgat Musabayev and the Austrian cosmonaut researchers Klemens Lothaller and Franz Viehboeck. The title of Marshal of Aviation was conferred on Yevgeniy Shaposhnikov. Konstantin Kobets is now an army general. Lazar Saryan, a professor at Yerevan Conservatoire, and Bolotbek Shamshiyev, a Kirgizfilm studio film director, have been made people's artistes of the USSR.

President Gorbachev presented recipients with other awards and scrolls to mark the conferment on them of USSR honorary titles.

Article on Sale of Lenin's Body 'Hoax'

LD0711234991 Moscow Central Television First Program Network in Russian 1630 GMT 7 Nov 91

[From the TV Inform" newscast]

[Text] Tass correspondent reports from New York. Following the decisive denial by the Soviet officials of the report by the U.S. magazine FORBES that the auctioning of Lenin's mummified body is in the offing, the leadership of this edition, so influential in business circles, has admitted that the report was a fake. However in the report circulated here for publication on 6 November, one of the FORBES editors described the article as a hoax. Numerous attempts to get through to the magazine by phone and obtain a comment on this sensation, if you permit me to put it this way, have come to nothing. But taking into account the reputation of FORBES magazine, one would like to believe that the magazine will acknowledge publicly that its mistakes were out of place and find strength to apologize officially.

Number of Drug Traffic Crimes Grow 'Rapidly'

LD0611232991 Moscow TASS in English 1553 GMT 6 Nov 91

[By TASS correspondent Larisa Kislinskaya]

[Text] Moscow November 6 TASS—"As soon as the rouble becomes convertible, the Soviet Union will be

turned into a transshipment centre for drug dealers from the United States and the 'golden triangle' nations," chief of the Moscow bureau for combatting drug trafficking Vladimir Kovalenko told a press conference, held here at Moscow's chief Interior Affairs Department.

Kovalenko said that the number of crimes, connected with drug trafficking was growing rapidly. Moscow drug addicts no longer use "home-made" narcotics, preferring to buy real ones. A young man was recently arrested on Pyatnitskaya Street with 25.7 grams of cocaine. This was a rare drug in our country so far. One gram of it costs as much as three thousand roubles. The more commonplace drugs, such as marijuana, hashish and others, are by no means cheap, too.

"Hence," Kovalenko stressed, "practically all drug addicts are linked with the criminal world. They thrive on burglaries, robberies, racket or shadowy black market transactions.

Itinerant criminals are a real scourge for the capital. They have turned the Moscow Cheryomushkinsky Market into a veritable drug trading centre. According to Kovalenko, there are drug addicts even in military units, deployed in Moscow region, particularly in military building detachments.

Kovalenko said it was very difficult to combat drug trafficking due to the lack of an adequate legislation. Whereas in the United States, for instance, a policeman who feigns to be a drug dealer, in order to disclose drug trafficking gangs and put them in the dock, has the right to appear in court as a witness, while the Soviet law requires the presence of two witnesses during the arrest, while the testimony of a militiaman is taken into account only if it is confirmed by three witnesses.

Situation in Armenia Described as 'Genocide'

LD0611105791 Moscow Radio Rossii Network in Russian 2200 GMT 5 Nov 91

[Text] In a statement during a meeting of the Committee for Operational Management of the National Economy, Arkadiy Ter-Israelyan, Armenian representative to the committee, described the situation in Armenia, saying that genocide is taking place which has brought the people of that republic to the brink of extinction. He asserted that the cold weather has come now to Armenia. Azerbaijan has completely cut off the supply of Russian gas, which is brought to Armenia through its territory. Rauf Akhunov, deputy representative from Azerbaijan, agreed that such a thing is taking place.

Gorbachev, Yeltsin's Popular Standings Polled

PM0411161191 Moscow ROSSIYSKAYA GAZETA in Russian 2 Nov 91 p 1

[Unattributed report under "News" rubric: "B. Yeltsin Would Be President Again"]

[Text] Roughly 31 percent of Russians would vote for Mikhail Gorbachev if the country's president were elected now. That is the result of a sociological study carried out by the independent "Opinion" service in 20 regions of the Russian Soviet Federated Socialist Republic [RSFSR]

According to the results of this study, almost 38 percent of respondents would not back the candidacy of the country's incumbent president. More than 13 percent of those polled could not make up their mind, while 18 percent said that they would not vote.

More than 61 percent of Russians would once again put their trust in Boris Yeltsin in a hypothetical election of the RSFSR president, while 17 percent of those polled oppose his candidacy for this post.

Poll Reveals Attitudes on Economic Community

OW0611083291 Moscow INTERFAX in English 0728 GMT 6 Nov 91

[From the "Viewpoint" feature: "Outlook for Agreement on Economic Community"; transmitted via KYODO]

[Text] One of the objectives of a study conducted in October by the National Public Opinion Studies Centre was to find out how the population felt about the agreement on an economic community, DATA news-agency reports. Under a representative sample, 2,053 people were polled, of which 1,033 in Russia, 404 in the Ukraine and 409 in Central Asia.

The study revealed that 65% of respondents in Central Asia, and 52% and 36% respectively of those in Russia and the Ukraine believe that the agreement will help resolve the host of problems facing the republics.

In the opinion of 32% of respondents in the Ukraine, 26% of respondents in Russia and 19% of those in Central Asia, such an agreement will have no serious impact on the course of events in the republics.

Some 22% of those polled in Russia, 32% in the Ukraine and 16% in Central Asia could not give a definite answer.

Margin of error was 3%.

TASS Carries Press Review for 6 Nov

LD0611091291 Moscow TASS in English 0818 GMT 6 Nov 91

["Press Review"—TASS headline]

[Text] Moscow November 6 TASS—Problems of the Soviet Armed Forces occupy one of the main places in today's newspapers. NEZAVISIMAYA GAZETA carries a series of its correspondents' reports on the subject under the common title "Russia, Ukraine, the Union". According to the daily, the problem of Union troops in the Ukraine has become "the apple of discord" for the two Soviet republics. Major General Aleksandr Tsalko is

quoted as saying Soviet Army will resist "being Ukrainized". Defence Minister Yevgeniy Shaposhnikov in an interview with the newspaper says fates of many servicemen are at stake and the problem demands all-round approach, which will save them from hasty decisions.

A similar problem is discussed in an interview with Soviet Union Legislative Committee on Armed Forces Chairman Aleksandr Schelkanov who said "Soviet republics will not benefit from creating their own armed forces" and spoke in favour of Armed Forces' unity.

Commenting on the situation in "turbulent spots", KRASNAYA ZVEZDA places an interview with Chechen Defence Committee Chief of Staff of the Executive Committee Iles Arsanukayev who said armed groupings of the Chechens keep on functioning despite Russian president's ruling and Chechens are capable of arming 62 thousand people to defend the October 27 referendum results.

Interviewed by NEZAVISIMAYA GAZETA Soviet Foreign Minister Boris Pankin says despite structural change in the Soviet Foreign Ministry the main goals of Soviet foreign policy remain the same. Pankin spoke highly of Soviet-American partnership in the course of arranging the Madrid talks.

Radical economic reform in the Soviet Union keeps being widely discussed in the newspapers. RABOCHAYA TRIBUNA carries points of view expressed by two well-known economists, Stanislav Shatalin and Pavel Bunich. They commented on recent decisions of Congress of Peoples Deputies and President Boris Yeltsin's address to it.

PRAVDA publishes information on a decision by the Soviet prosecution to charge Soviet President Mikhail Gorbachev with high treason due to the Soviet State Council's decision to recognize independence of Latvia, Estonia and Lithuania and their decision to leave the Soviet Union. It also gives specific circumstances which lay grounds for bringing up the accusations.

PRAVDA carries an historic seventy-five year old interview by Soviet scientist Viktor Trushkov with a notorious Russian tsarist Army General Anton Denikin entitled "Treason Gives No Happiness" where Denikin muses on the ways and methods of power transition and describes certain details of "the Kornilov riot" against the provisional government in 1917.

Russian KGB Chairman Viktor Ivanenko shares his views with the PRAVDA readers on the renewed intelligence service.

7 Nov Press Review

LD0711095791 Moscow TASS in English 0727 GMT 7 Nov 91

["Press Review"—TASS headline]

[Text] Moscow November 7 TASS—PRAVDA and SOVETSKAYA ROSSIYA came out with festive layouts to mark the 74th anniversary of the 1917 October revolution today, printing related stories on the front page. Other newspapers also published articles connected with the anniversary.

"No matter how hard and contradictory the path traversed by the country since October 1917 has been, we cannot disavow our history or rewrite it, but can and should remember its lessons in the name of the present and the future," commented PRAVDA.

It carried the transcript of a round-table discussion involving a group of researchers from the Soviet Academy of Sciences' Institute of Soviet History, who exchanged opinions on the Bolshevik revolution "through the prism of today".

Analysing the country's history after the revolution and ways out of the current crisis, political scientist Boris Slavin said in PRAVDA that the political groundwork has only been laid for "the path of shock therapy and price liberalisation proposed by neo- liberals". He warned that "tumultuous social conflicts, the curtailment of democracy, government reshuffles" and other social upheavals await the nation along this path. "It is not the ideals of the October revolution, but one of the historical attempts to translate them into reality that has failed", Slavin argued.

SOVETSKAYA ROSSIYA ran a selection of news reports dating back to just before and during the 1917 revolution, as well as other historical material and statements by politicians from that time.

Member of Parliament A. Denisov in the same paper said that "life is cleverer than any cut-and-dry plans". He argued that "the present should be a healthy convergence of the past and the future, of what is receding into the past, but is habitual, and the nascent public mentality of liberal capitalism and scientific socialism, which has yet to strike deep roots".

TRUD said the federal procurator-general cancelled the decision by his senior aide Viktor Ilyukhin to open a criminal case against President Mikhail Gorbachev on high-treason charges.

One hundred days after Boris Yeltsin was elected president people make greater demands on him and only 15 per cent fully share his views, according to the results of a public opinion survey taken by the national polling centre and reported in the NEZAVISIMAYA GAZETA. "Yeltsin has not lost his supporters, but their attitude to him is much more critical, with emphasis on his political position rather than on his personal qualities," it said. According to the poll, 67 per cent of the population expect the situation to worsen economically and 59 per cent, in the field of ethnic relations, whereas merely 30 per cent agree that the August coup's failure has opened up possibilities for sweeping reform.

Vladimir Lebedev, a member of the Estonian parliamentary leadership, warned in NEZAVISIMAYA GAZETA that Russia should prepare for a fresh influx of refugees, this time from Estonia where, he claimed, everything is being done to force out Russians living there.

"Monuments to former leaders are being toppled in the Soviet Union and it is a fad there to rename streets and whole cities. This is flippant. History cannot be written anew," former General Secretary of the Communist Party of Spain Santiago Carrillo told TRUD. He said that "perestroyka is not an illness but a difficult recovery from a grave ailment". However, "I am afraid that the expected quick wonder with the change-over to a market economy may fail to materialise", Carrillo said.

Academician Aleksandr Yakovlev said in RABOCHAYA TRIBUNA that "the practical turn towards democracy is now much more difficult than before the start of changes".

Economist A. Anisimov argued in PRAVDA that "free marketry will not be able to resolve the urgent problems of the Soviet economy". Should the reform plan suggested by Yeltsin be set in motion, the country will turn into "a half-starved debtor to the world economy" because of the "extremely poor timing" of the desired transfer to a market, he said.

KOMSOMOLSKAYA PRAVDA reported that Interior Minister V. Barannikov denied the U.S. FORBES magazine's claims that the Soviet Union is planning to sell Vladimir Lenin's body from the mausoleum.

It also said that Yeltsin signed a decree terminating the activities of the Soviet and Russian Communist Parties and abolishing their cells in the Russian Republic.

The paper also reported that Gorbachev appointed Vadim Bakatin to head the Inter-republican Security Service, Ilya Kalinichenko to chair the Federal Border Guard Committee and Yevgeniy Primakov to head the Central Intelligence Service (CIS).

In its international pages, the press focused on the Middle East peace conference in Madrid and the situation in the Middle East, Yugoslavia and Latin America.

Economic

Economy Committee Meets, Issues Ordinance

Offers Liberalization Rules

PM0711115791 Moscow IZVESTIYA in Russian 5 Nov 91 Union Edition p 2

[Report by I. Demchenko: "Business Given the 'Green Light'"]

[Text] On 1 November the Committee for the Operational Management of the National Economy issued an ordinance containing a list of recommendations for creating favorable conditions in the development of private initiative and enterprise in the republics.

The utmost limitation of state interference in entrepreneurial activity is proclaimed the first principle, most important to everyone. It is proposed to limit this just to questions that fall exclusively within the state's competence: observance of legality; the defense and security of society and of citizens; tax, price, and antimonopoly regulation; granting of social guarantees; and observance of ecological, sanitary, and fire-prevention norms. After privatization the state loses all rights to former objects of state ownership. And, incidentally, it is proposed to recognize entrepreneurial activity as being incompatible with work in state organs of power and management.

Any illegal actions by state and other organs which violate the rights of entrepreneurs may be disputed in court with payment of damages, including damages for lost profits. It is proposed not to revise legislation in the economic sphere more frequently than once every three years, except for cases connected with a change in the economic or political situation which could not be foreseen in advance—and then on the condition that the impossibility of foreseeing it is confirmed by the Constitutional Court.

Because private ownership was virtually prohibited in our country for many years, the system for its legal protection is considerably less efficient than, let us say, penalties for encroaching on state ownership. It is proposed that the republics consider introducing or stiffening penalties for actions which cause direct or indirect harm to enterprise, including coercion to adopt decisions which do not accord with a firm's interests.

One of the most interesting sections of the document is devoted to the organization of banking activity. All banks are accorded the right to carry out the whole package of financial and credit operations without restriction, including currency operations, and to open correspondence accounts in any foreign bank. But at the same time the state is not liable for all the kinds of risk associated with banking activity and does not interfere in the work of banks. Functions of management and control on the state's behalf cannot be entrusted to banks.

It is proposed to grant to all enterprises, regardless of the forms of ownership, the right to obtain finance and credit from any commercial bank, including a foreign bank, and to open an unlimited number of accounts. All owners must be guaranteed the unimpeded repayment of their money held in banks immediately on request and in any form that they wish—cash, checks, drafts, transfer, etc.

One of the chapters in the document is devoted to possible principles of tax policy on the territory of a unified economic space. In particular, it is recommended that all states find an opportunity to establish a minimum tax on enterprise profits during 1992-94 (an approximate figure has been named of at most 25 percent of profits). At the same time it is proposed to

exempt from taxation entirely profits which are channeled into production development—otherwise we will have rushed from one extreme to another, and production will soon cease renewing itself and expanding in our country altogether. In addition, it is proposed to encourage, above all, entrepreneurs who are starting up.

A revolutionary liberalization is proposed in the sphere of foreign economic activity. All enterprises are guaranteed the right to participate in all operations. The monopoly of state specialized foreign trade organizations is eliminated, and they themselves can be transformed into joint-stock companies. The state retains only the implementation of export and import operations relating to strategic output and raw materials, precious metals, and other state assets.

It should be noted that the ordinance, which differs radically from that adopted in government documents before, has only the force of a recommendation. This seems to be the first time that a felicitous tone has been adopted in discussion on with the independent states by a central authority which respects their sovereignty. If the central organs do not in turn shun the recommendations, they could be advised to pay attention to the proposed manner of this relationship, which, I believe, accords in the best possible way with the status of an administrative-coordinating authority.

Defense Budget Examined

LD0611141291 Moscow Central Television First Program Network in Russian 1300 GMT 6 Nov 91

[From the "Television News Service" program]

[Text] The Union Committee for the Operational Management of the Country's Economy has examined the principles of the formation of the defense budget for 1992. Aleksandr Shchelkanov, chairman of the commission for affairs of the USSR Armed Forces, stated that it is not to the advantage of the republics to set up their own armies at this stage. The paradox of the present situation, the 52-year- old first rank captain of the reserve believes, is that the existing Armed Forces are one of the very few elements capable of cementing the structure of the Union.

Rejects Health Ministry Proposal

LD0711111991 Moscow All-Union Radio Mayak Network in Russian 0900 GMT 7 Nov 91

[Text] The Committee for the Operational Management of the Country's National Economy has rejected a Health Ministry proposal on the organization of pharmacies to sell imported medicines at commercial prices for hard currency. Ivan Silayev satted: This must not be permitted under any circumstances.

Petrakov on Gorbachev, Yeltsin Economic Plans

LD0511171291 Moscow TASS International Service in Russian 0005 GMT 5 Nov 91

[By TASS correspondent Aleksandr Semonov]

[Text] Munich, 5 Nov (TASS)—How to do business with the Soviet Union under conditions of political instability? Is it possible at all to cooperate with Soviet enterprises and firms in such a difficult period and not fear that one may lose one's money? Representatives of business circles are trying to find answers to these and other questions at the seminar which opened here on Monday [4 November] and in which Soviet economic experts are also taking part. The aim of this seminar, which was organized by the TOP BUSINESS magazine, the German firm "Bavaria-Russia Consulting," and the Soviet firm "Russian Capital" [Russkiy Kapital], is to attract German businessmen to the Soviet Union and help their Soviet colleagues to find access to Western markets.

Is there a way to make German businessmen want to invest their capital in Russia? There are strategic opportunities for this, said Academician Nikolay Petrakov, a member of the Political Consultative Council under the USSR president, in a conversation with TASS: But capital always requires political guarantees. It is international and is invested in profitable spheres. The West is currently very apprehensive about the political chopping and changing which is taking place in our country. That is why it is important that we ensure political stability, through the economic reform, for example.

In particular, Russia could take upon itself the role of a locomotive of economic progress. It should ensure the kind of emission of the ruble that would gradually lead to turning it into a hard currency which everybody, for example the Baltics and even the countries of Eastern Europe, will be after. Only then could Western investments be based on the ruble.

One sometimes comes to hear from the entourages of Gorbachev and Yeltsin that we first need to create the political union in order to have the opportunity to influence the fulfillment of economic agreements between the republics. But they forget that economic agreements are always voluntary. If they are not advantageous, nobody will agree to them. Nor will the use of force help. It has never been possible to bake a single pie using a Kalashnikov.

What is my assessment of Yeltsin's program? In my view, Russian legislation should be reviewed once again, particularly regarding foreign investment, and it should be brought fully into line with the practice abroad, Petrakov continued. There should also be permission for free investment of profits gained by foreign or joint enterprises within the USSR and the free export of it from the country. And, third, foreign businessmen must be granted the right to freely acquire real estate in the

Soviet Union: land and buildings. Certain exceptions could be made here, of course. We mustn't sell off the Kremlin, for example!

My forecast for the USSR's economic development to next summer? I think things will just get worse. Why? I don't see any kind of measures aimed at restraining inflation. For example, take the law passed by the Russian parliament on indexation of incomes. It is a terrible law. It will lead to a crazy race in the money supply. And where people were previously lining up for the a-ruble sausage, now they will be lining up for a eight-ruble sausage, and so on.

The imbalance between the money supply and the supply of goods deprives the market of its essence. Instead of a market, there is some kind of distributor. Apart from this, there are no stimuli for capital investment. Price liberalization when there is compensation and no market in capital, destroys the whole chain by which high profits lead to high investment. The latter, in turn, leads to expansion of production, which ultimately results in price reductions.

'Billions' Held in Secret Surplus Accounts

PM081114591 Moscow IZVESTIYA in Russian 7 Nov 91 Union Edition p 1

[Article by I. Zhagel: "Billions Held in Secret Accounts No. 2140832 and No. 3140333. Why Does Parliament Know Nothing About It?"]

[Text] The brief report the USSR Supreme Soviet received from the USSR Control Chamber has a long and cumbersome title: "Concerning Moneys Obtained for Financing the Union Budget and Nonbudget Funds Deficit in 1991." But it is certainly not a boring read.

First of all we learn from the document that in the first nine months of this year the deficit in the Union budget and two all-Union nonbudget funds was 114.4 billion rubles [R]. In order to cover the deficit, the USSR president authorized the USSR State Bank in February and June to provide the USSR Finance Ministry with credits of R73 billion, of which only R5 billion were legal, that is, approved by the USSR Supreme Soviet.

This in itself merits serious attention. Obviously, the USSR president needs to get parliament's support as quickly as possible for his decision to issue further credit. It is a fundamental question, but there is something else important behind it.

If the amount of credit authorized by the USSR president is R73 billion, then where did the rest of the money come from to plug the R114.4 billion hole in the budget? It is not difficult to calculate that the difference between these sums is around R40 billion. It follows from the USSR Control Chamber's report that the "remaining expenditure deficit was financed by the USSR Finance Ministry and USSR State Bank without any authorization from the USSR president and USSR Supreme Soviet."

However, people in the State Bank are not simpletons, and they can only issue that kind of money subject to substantial guarantees. They were provided by a special letter signed by former Union Finance Minister V. Orlov, which said that the Finance Ministry "...guarantees the provision of open credits for the Union Budget for nine months of 1991 using funds in current account No. 2140832..."

What is this account? And what kind of money does it have to contain to guarantee the tens of billions of rubles used as credit to plug the holes in the budget? I put all these questions to Control Chamber Chairman (and the former minister's namesake) A. Orlov.

According to Aleksandr Kondratyevich, the Control Chamber staff had a hard job finding out what actually lies behind the guarantee. They managed to establish that the aforementioned account was opened for the Finance Ministry back in 1939 (!). It now contains approximatwely R40 billion. But the Control Chamber's representatives were not allowed access to the original accounting and banking documents showing receipts and withdrawals.

During the inquiry yet another "secret" account—No. 3140333—was found, containing around R5 billion. There had been more in it, but considerable amounts of money were transferred from it this year to the All-Union Fund for the Stabilization of the Economy, and loans have also been granted to the Ministries of Railways and Civil Aviation.

Whatever the reasons for the transfers and loans, the question, as A. Orlov said, still remains: Why did neither the USSR president nor the USSR Supreme Soviet know anything about these accounts prior to the start of the Control Chamber inquiry? Why were such massive sums not accounted for either in the budget or in statistical reports, thus giving a handful of individuals virtually unrestricted use of these funds?

Naturally, I tried to get an explanation from the USSR Finance Ministry... Acting Minister V. Rayevskiy said that he personally had not known of the existence of the accounts until recently, although, on the other hand, he did say that the accounts were not secret. In particular, it is known that Union budget funds which were not used in a particular year were transferred to it. All it needed was a USSR Council of Ministers resolution for the entry to be made. Parliament was simply bypassed. The old parliament—which always voted unanimously in favor. But the new one as well?

Exchange Rate Driven to 'Exorbitant Heights'

PM0811092991 Moscow IZVESTIYA in Russian 6 Nov 91 Union Edition p 8

[Report by I. Zhagel: "Currency Exchanges Already Offer 110 Rubles for One Dollar"]

[Text] The latest auctions at the USSR State Bank's currency exchange, held 5 November, produced two sensational results. First, the sales exchange rate exceeded the blackest predictions by pessimistically inclined economists and reached 110 rubles [R] for one U.S. dollar. And second, never before had so little foreign currency been sold as on this occasion—$2.89 billion [as published].

At the very beginning of the auction, when the exchange rate was still R73.1 to the dollar, demand was more than double the supply. And none of the buyers was willing to give way, driving up the exchange rate to increasingly exorbitant heights. Breaks had to be held twice during the auction to enable the participating banks to consult their clients. And obviously, each time they received the command: Buy foreign currency whatever the price.

Well, there is nothing surprising in this. Now, when the liberalization of prices is not simply a distant prospects but a matter of the immediate future, those in possession of rubles will undoubtedly try to convert their funds into something harder and more solid. Therefore, the next auction can be expected to bring us new "records." This madness can be stopped only by resolute and urgent reforms in our economy.

Foreign Food Buying To Remain Centralized

OW0611014391 Moscow INTERFAX in English 1945 GMT 6 Nov 91

[Transmitted via KYODO]

[Text] The agreement on food supplies, endorsed by 12 ex-Soviet republics (the three Baltic states refused to sign it), stipulates that a common market of food will be gradually formed in the country, with "the existing practice of centralized food purchases abroad" staying in effect until the middle of 1992.

The Interrepublican Economic Committee, now under formation, will be in charge during that period of the conclusion of agreements with foreign partners on credits and the purchase of food in volumes requested by the sovereign republics. The latter undertake to ensure the free flow of food across their territories. Should a consignment of food be stopped, the republic responsible for the stoppage will pay compensation in hard currency.

The republics recognize as impermissible the export of food or raw materials on interrepublican contracts from their territories. They express readiness to form a centralized food reserve "to meet defense-related and other common needs and support Moscow's vitality" in 1992. Supplies to the reserve will be provided at fixed prices agreed upon by all the contributors.

Largest Grain Importer Remains Competitive

OW0811114791 Moscow INTERFAX in English 1311 GMT 7 Nov 91

[From "Soviet Business Report"; transmitted via KYODO]

[Text] Despite the appearance of rivals, the state-run Eksportkhleb foreign trade association still remains the Soviet Union's largest grain importer and intends to retain its market share in the future.

Although the former Soviet republics have become more active in their foreign trade, Eksportkhleb continues to purchase large amounts of grain not only for the country as a whole, but also for the republics, said Eksportkhleb's chairman Oleg Klimov in an interview to an IF's [INTERFAX] correspondent.

According to Mr. Klimov, his association imported some 4m [million] tons of grain for Russia, 300,000 tons for Uzbekistan, and some more for Tatarstan in the first six months of this year alone, and the second half of this year has seen Bashkiria join the organisation's customers.

Grain purchases by Eksportkhleb had totalled over 31 million tons by October 1991.

GRAIN IMPORTS IN 1991

Totals	23374	8037
By exporter country:		
USA	8368	2634
Canada	6055	1584
France	4348	416
Australia	785	202
Turkey	269	438
China	19	652
Poland	303	127
Sweden	236	61
Austria	204	54
Yugoslavia	-	216
Finland	152	72
Hungary	33	161
Italy	42	113
Spain	-	113
Denmark	54	-
FRG	23	-
By crop:		
Breadmaking wheat	11313	2998
Maize	6214	2947
Barley	3225	881
Brewing barley	85	35
Oats	57	25
Soya beans	245	168
Soyabean oilcakes	1556	728

Total grain purchases are expected to reach 39 million tons by year end, of which those under orders placed by the central government will amount to 32 million tons.

Production Output Down to 1970's Level

PM0511170091 Moscow MOSCOW NEWS in English No 43, 27 Oct-3 Nov 91 pp 10-11

["SovEcon" report: "Worst Slump in Basic Sectors"]

[Text] In the past two years much production output has fallen to the same level as that of the 1970s. The crisis has primarily hit the fuel and raw material industries.

In several commentaries on last year's national economic plan the curtailment of production in basic sectors was qualified as the beginning of progressive structural changes in the Soviet economy. Today it is already clear that his was no more than wishful thinking.

During the first half-year the gross national product diminished by 10 per cent. (During the whole of 1990 the GNP fell by 2 per cent.) The national income in production - by 12 per cent. In less than two years much production output has dropped to the mark of the mid-1970s. Typical in this respect are the dynamics of labour productivity, which in the first six months fell to 89 per cent of the level of last year.

Production Undercapacity Intensifies

While the total volume of industrial output declined by 6.4 per cent in eight months, the extraction of coal diminished by 11 per cent, or 52 million tons, including coking coal by 20 per cent, the rolled ferrous metals by 12 per cent. The situation is worst in the oil industry. Due to insufficient money for repairs and maintenance about 21,000 oil wells are redundant. The sector's production potential means we can count on not more than 495-500 million tons of oil this year.

The relatively small fall in production last year by 1.5 per cent in fuel and raw materials and 3 per cent in iron and steel, triggered a chain reaction of undercapacity operation in related industries this year, especially in the manufacturing industry. Beginning January 1991, the slump spread to the consumer and engineering sectors, which are usually stable in respect to growth rates: in eight months production of consumer goods fell by 4 per cent (in 1990 there was a growth of 6 per cent) and engineering fell by 9 per cent (against 2 per cent growth last year)—moreover, there are no signs of production being stabilized in these sectors.

As we see it, the current production recession is structural only to an insignificant extent. The alienation of the ineffective part of depreciated industrial capital has still to manifest itself. Proceeding from production trends and plans at various enterprises it is possible to forecast a fall in the volume of industrial output by 7-8 per cent in comparison with the level last year (in comparable prices), including 11-12 per cent in fuel and metallurgical complexes, 9-12 per cent in chemical-timber and agro-industrial complexes, 9-11 per cent in engineering. However, the undersupply of products to consumers (by 30 per cent less than last year, which was particularly unfavourable) testifies that the actual scope of the fall in production will have an even more telling effect.

	Annual growth rates of labour productivity	Annual growth rates of gross national product
1981-1985 (average)	2.7	3.6
1986	2.1	3.3
1987	1.6	2.9
1988	4.8	5.5
1989	2.3	3.6
1990	-3.0	-2.0
1991	-9.0	-8.0

TU Statement for Job, Wage, Price Protection

924A0148A Moscow TRUD in Russian 2 Nov 91 p 1

[Unattributed report: "Statement of the Leaders of the Branch Trade Unions of the Country"]

[Text] Recently, the statement says, the sovereign states have proclaimed and begun to implement economic reforms. While sharing the desire of the republics to switch over to specific actions aimed at curing the economy, the branch trade unions of the country express their concern at the fact that in a number of cases the measures proposed are not comprehensive, and are not backed up by the necessary social protection of the populace.

Unrestricted prices do not create a market by themselves. To begin with such prices, in the absence of the entire complex of market arrangements, means to bring about a social explosion. Liberalization of prices will not put an end to monopolism in and of itself. On the contrary, it may even facilitate the reinforcement of monopolism. Monopoly enterprises may reduce the output of products while increasing prices. In view of this, the reforms being implemented will not accomplish the main task—reinforcing incentives for labor and increasing the output of products.

The branch trade unions insist that reinforcement of monetary circulation, stabilization of the ruble, the introduction of antimonopoly measures, and the creation of specific conditions for the development of entrepreneurship and production cooperatives be effected at an accelerated pace. We should stimulate the production of goods inside the country and ensure the greatest possible influx of goods from abroad.

Unrestricted prices may be introduced simultaneously, with mandatory measures for the social protection of

citizens envisaged, only if we make the endeavors indicated above our priority. These measures should be endowed with a specific mechanism of implementation; they should be introduced in advance. We should not forget that even the wisest programs cannot be carried out without the trust and support of the working people.

The branch trade unions of the country believe that the following are primarily needed with a view to effective social protection:

To develop a program to ensure the employment of the populace while preventing any discrimination against citizens, and also to provide social guarantees;

To speed up the development and confirmation of minimum consumer budgets in the sovereign states, and to reduce the existing considerable gap between the level of the minimum wage, retirement benefits, scholarships, and allowances, and the subsistence minimum;

To implement as soon as possible measures to repeal restrictions on the growth of wages and to pull the incomes of employees in budgetary sectors up to the level of the market sector of the economy;

To repeal before the end of this year the tax on the income of working people amounting to a subsistence minimum;

To develop and introduce, effective November of this year, a system of support of the population in kind, with vital foodstuffs, manufactured consumer goods, and drugs. To consider the possibility of introducing ration cards for bread, milk, butter, cereals, sugar, meat, and vital manufactured consumer goods for all citizens of the country. To establish strict state and public monitoring of the implementation of these measures;

To protect the incomes of the populace against ruinous inflation, and to introduce a system of indexation;

To preserve the allocation of free municipal housing to citizens with an acute need for it in the period of transition.

The people cannot bear the hardship of a transition to market relations in the absence of such social shock absorbers, the statement says.

Output Rate of Oil, Coal, Down by 10% in 1991

OW0811054291 Moscow INTERFAX in English 2015 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] The level and rate of output of energy resources and electric power in the Soviet Union fell by 10% in the first ten months of 1991, compared to the same period last year.

Official statistics point out that the largest drops occurred in oil and coal extraction. In the first 10 months of 1991, the Soviet Union extracted 433 mn [million] tons of oil and associated gas, or about 45.4 mn tons less than in the same period last year. So far in 1991, 517 mn tons of coal has been mined, this amount reflecting a 62.2 mn ton shortfall compared to last year.

In the first ten months of 1991, the Soviet Union produced 1309.7 bn [billion] kilowatt hours of electric energy, a decrease of 28.4 bn kilowatt hours from the same period in 1990.This drop is attributable to the production slowdown at thermal electric power stations in the USSR.

Output of Energy Resources and Electric Power

	Output (production) from Jan.-Oct. 1991	Change in level of output (production)in comparison withJan.-Oct. 1990
Energy Resources:		
Oil & Associated Gas (mn tons)	433.0	-46.4
Natural Gas (bn cubic meters)	671.5	-0.8
Coal (mn tons)	517.0	-62.2
Production of Electric Energy (bn kilowatt hours)	1,309.7	-28.4
Including:		
Thermal Electric Power Stations	939.9	-32.0
Hydroelectric Power Stations	194.4	+ 3.1
Atomic Electric Power Stations	174.8	+ 0.5
Rate of Growth in First Ten Months of 1991		
	Jan.-Oct. 1990 (%)	Jan.-Oct. 1991 in (%)
Oil and Associated Gas	100	90.3
Natural Gas	100	99.9
Coal	100	89.3
Production of Electric Energy	100	97.9
Including:		
Thermal Electric Power Stations	100	97.9
Hydroelectric Power Stations	100	101.6
Atomic Electric Power Stations	100	100.3

Company To Assist Defense Sector Conversion

PM0811140991 Moscow PRAVDA in Russian 6 Nov 91 p 2

[Article by A. Pokrovskiy: "The 'Military-Industrial Investment Company' Seeks Conversion but Has No Illusions"]

[Text] Among the many economic illusions that have exploded before our eyes, a prominent place rightly belongs to conversion. The popular —or is it populist?— slogan of "turning guns into butter" proved easier to proclaim than to realize. In any event, in order to turn tanks into butter churns, it proved necessary not to carelessly "cut up" the military-industrial complex but to find the means to retool. But neither deputies nor the government could find the money for these purposes. And consequently the expected return from the country's most skilled workers and advanced technology failed to materialize.

"There are, however, free resources in the country and they can be accumulated by issuing shares," Sergey Petrov, chairman of the Joint-Stock "Military-Industrial Investment Company" Directors Council, believes, not without reason. In any event, the company has an incorporation capital of 1 billion rubles [R]. The advantage of market enterprise over state underdevelopment has had an effect. Meanwhile, S.T. Petrov, a graduate of the Moscow Institute of Economics and Statistics, is just 33 years old; has already done research work in the modeling of economic, biological, and telecommunications systems; taken part in creating the "Russian Commodity and Raw Materials Exchange" and "Russian National Commercial Bank" joint-stock companies; and is among their directors.

"The most important area of the company's activity," S. Petrov explained, "is methodological, organizational, and financial assistance to enterprises in the defense sector, first and foremost, and in their transition to modern market forms of economic management. Thus it is a practical mechanism for market-style conversion. When necessary we can transfer millions of rubles within seconds to aims that interest us."

The technical means to do that already exist. The company's total assets include 10,000 square meters of well-equipped premises on a long-term lease, and it has secured rights to the long-term lease of ground-based and satellite communications links worth R620 million and the right to use equipment, program, and other resources for a telecommunications network for 5,000 subscriber outlets.

"And for what operations are you going to use this financial and technical muscle?"

"That is a commercial secret," he replied.

Under pressure, however, Yu. Matsak, member of the company's Directors Council and a long-time worker in the country's defense sectors, revealed a little of that secret.

"We," he said, "for example, used foreign investments to install Italian equipment at a number of defense enterprises for the production of refrigerators."

"Our company," V. Doguzhayev, chairman of the company's board, explained, "chooses investment projects on a competitive basis and gives preference to its own stockholders. But one joint-stock company alone cannot resolve all the problems of converting the enormous military-industrial complex. Therefore we are very much hoping that other companies ready to take this work on will appear. Healthy competition here is a great help."

It is interesting that, a few days after the conversation at the new joint-stock company, I read a report that the Russian president had signed a decree on the creation of the Russian Soviet Federated Socialist Republic State Committee for Conversion. Well, it is no bad thing for state structures to compete with their market counterparts, too.

Scientific

Cosmonauts Continue Experiements in Space

LD0611132591 Moscow TASS International Service in Russian 1217 GMT 5 Nov 91

[Text] Flight Control Center, 5 Nov (TASS)— Today a process of growing in weightlessness another monocrystal of gallium arsenide with improved structural and electrophysical characteristics was completed on the "Gallard" technological plant on board the "Mir" orbital complex.

In accordance with the research plans of astronomy in space, the cosmonauts Aleksandr Volkov and Sergey Krikalev will have to take a number of photographs of certain parts of the celestial map during the course of the day, with the help of the "Glazar-2" telescope which registers emissions in the ultraviolet part of the spectrum.

The program for the following week includes work on outer space materials technology, and astrophysical and geophysical research. The cosmonauts will also continue the operations for further supplying of the manned complex with the equipment brought by the "Progress M-10" ship.

Experiments continue with the use of automatic scientific apparatus. The control center receives information about physical processes occurring in the ionosphere and the magnetosphere of the Earth, about spatial energy characteristics of cosmic emissions, and about the radiation situation on the route of the orbital complex, through telemetric channels.

Private Launches From Baykonyr Envisioned

LD0711173891 Moscow TASS in English 1925 GMT 6 Nov 91

[Text] Leninsk November 6 TASS—A commercial association—"International Spaceport"—is to be established on the basis of the Baykonyr Cosmodrome in the Soviet Union, it was announced here.

The association will offer potential users services in taking their cargo to space using Soviet booster-rockets Proton, Soyuz, Zenit and Energiya.

The new firm is to be an open type joint-stock society founded by the Kazakhstan Space Research Agency, major commercial investment banks and the Space Rocket Associations of Russia and the Ukraine.

Eighty per cent of shares will be distributed among the founders, the remaining 20 will be sold freely. It is expected that private capital will take part in the establishment and in subsequent activities of the space port.

According to Sergey Sopov, a spokesman for the Kazakhstan Space Research Agency, the international space port will be able to compete with the European Arianespace consortium and the leading aerospace companies of the United States and China on the market of services in sending up to space all kinds of spacecraft.

Institute Developing Satellite TV Equipment

PM0111131791 Moscow Central Television First Program Network in Russian 1000 GMT 30 Oct 91

[From the "Television News Service" newscast: Report by V. Razinkin]

[Text] [Razinkin] Even a few years ago television antennae like these [video shows satellite dish] were considered a fantastic luxury. Today they are becoming a normal feature in the architecture of our towns and villages. Tests of high tech electronic equipment have been carried out successfully by scientists and specialists at the Gradient All-Union Science and Research Institute in Rostov. Within the framework of conversion they have spent a long time working on production of antenna systems for satellite television. This structure enables you to receive domestic and foreign broadcasting around-the-clock. Europe alone watches up to 50 different foreign channels on satellite television, whereas in our country it is seven or eight. And yet we must admit that, despite the existence of a legal base, the development of satellite television is proceeding slowly in our country because of a whole series of problems. One of the reasons is the high cost of antennae and receivers. Many of the designs drawn up by the Rostov scientists have been recommended for serial production. However, the capacities of the science and production associations in the radio industry are still not great. But this year 1,000 antenna systems for satellite televisions will find a buyer. It only remains to be added that we have to resolve a heap of not just technical but also organizational issues before the precious television signals from space appear on our television screens.

Military

Silayev Chairs Meeting on Defense Funding

LD0611213691 Moscow TASS International Service in Russian 1520 GMT 6 Nov 91

[By TASS observer Nikolay Zheleznov]

[Text] Moscow, 6 Nov (TASS)—Despite the fact that during the last meeting of the USSR State Council the question of a united army and a common defense ministry was decided positively, difficulties in maintaining the necessary level of the country's defense complex not only persist, but even increase. One of them consists in trying to form a defense budget for the country for the next year, in the absence of a common Union budget.

With this aim Ivan Silayev, chairman of the Committee for the Operational Management of the National Economy, called a meeting of experts, and drew the attention of its participants to the urgent nature of the problem under discussion. The fact is, Union allocations for defense have practically been stopped from the new year. Yevgeniy Shaposhnikov, the USSR minister of defense, and Soslan Guchmazov, chairman of the defense department of the committee, both gave presentations at the meeting, and proposed a working draft for an interrepublican agreement on defense spending fo· 1992, which is planned to be discussed and adopted during the meeting of the USSR State Council.

As one of the criteria for deciding the total figure of deductions from each republic for defense, it was proposed to consider a uniform, fixed percentage of deductions from the budget or the national income of the republic.

During the meeting it was pointed out that under conditions of the emerging market the activity of the military-industrial commission, as the all-Union body of centralized management of the development and production of military technology, is coming to an end. Each military complex enterprise is going to work through direct contracts with the country's Ministry of Defense or any other client, and the main criterium for the contract will be the profitability of the order for the collective, rather than directives "from above." Moreover, the provisions of the law on enterprises and other legislative acts that usually regulate their foreign economic activities will fully apply to these enterprises as well.

Defense, which up to now only consumed the lion's share of the budget, should bring in income. That is stated in another new and quite considerable principle for forming the new defense budget. The Army should be given the opportunity to earn money itself. There was talk in the first instance of intentions to sell off obsolete military-technical property, whose value has been assessed at about 120 billion rubles, and also of expanding the sphere of services (transport and construction) provided to the civilian sectors by the army on a commercial basis. It was also noted that virtually no use was yet being made of the commercial potential of the Soviet space research program, which was partially subsidized from the defense budget.

The proposals worked out at the conference will be distributed on behalf of the USSR Defense Ministry for

further elaboration and agreement in the republics, and will become the basis for preparing a united agreement on the defense expenditure of the community of independent states.

More on Shaposhnikov Remarks on Armed Forces

PM0711114091 Moscow KRASNAYA ZVEZDA in Russian 7 Nov 91 First Edition p 1

[Correspondent Major A. Yegorov report on 5 November Moscow news conference by USSR Defense Minister Ye. Shaposhnikov: "USSR State Council Says 'Yes' to Unified Armed Forces"]

[Text] The main news announced 5 November by Marshal of Aviation Ye. Shaposhnikov to Soviet and foreign journalists is that all the members of the country's State Council came out in favor of preserving the unified Armed Forces. This decision, which is important in every respect, has finally closed the endless arguments about the Army and the ways of reforming it.

According to the USSR defense minister, the clear centrifugal trends which are shaking up the country's defense system—the desire of certain republics to create their own armed forces and divide up weapons and personnel, the undermining of the unity of command, the disruption of the fall draft, the growth of tension in military collectives, including ethnic tension—have begun seriously to threaten the implementation of the proposed military reform and have caused perplexity among the people and a lack of understanding on the part of Western partners. In this connection the importance of the State Council decision can hardly be overstated.

Virtually all the proposals that the defense minister put to the State Council were approved. Including those relating to the organization of control of the Armed Forces of the Union of sovereign states in the transitional period.

At the same time the processes taking place in the republics were also taken into account. Marshal Shaposhnikov reported that it was decided to create a consultative body—the Council of Defense Ministers of Sovereign States—which will meet periodically to discuss questions of military policy, economics, finance, and manning of the forces.

For the transitional period, the USSR defense minister said, civil defense units, military commissariats, military faculties of higher educational establishments, and defense sports and technical societies will be transferred to the republics' jurisdiction. The formation of national guards, intended primarily for the protection of important state and government facilities, will take place, it is planned, out of the republics' own budgets and on the basis of subunits of the MVD [Ministry of Internal Affairs] internal forces under republic jurisdiction. All other military formations remain under the center's jurisdiction.

Answering a question from KRASNAYA ZVEZDA's correspondent on what will happen, in that case, about the decisions by the parliaments of the Ukraine and Moldova to create full armed forces of their own, Marshal Ye. Shaposhnikov said that the republics will apparently review these decisions. Especially since no final decisions had yet been made. The documents were given their first reading and sent for further work. "Together we will find a way out of the situation that has arisen," the USSR defense minister said.

It was announced at the news conference that it has been decided from 1 January next year to go over to the mixed principle for the manning of forces, which, in the leadership's opinion, will solve the draft problem. Marshal Shaposhnikov believes that there will be enough people who are willing to sign a contract, because servicemen who have been discharged to the reserve could do this too.

The defense minister refuted reports in the mass media on the supposed plans to set up a new naval base on the territory of Krasnodar Kray, and called on all Soviet Army servicemen to strengthen unity and not yield to emotion. We are capable, the defense minister said, of surviving with dignity this difficult time for us all.

Volkogonov on Prospects for Defense Union

PM0711165291 Moscow KRASNAYA ZVEZDA in Russian 7 Nov 91 First Edition p 3

[Report by TASS correspondent R. Zadunayskiy on interview with Russian Soviet Federated Socialist Republic People's Deputy Colonel General Dmitriy Volkogonov, adviser to the Russian president on defense questions: "Prospects for a Defense Union"]

[Text] Moscow, 6 Nov—The signing of the Economic Community Treaty and certain positive steps that the leaders of sovereign states have taken toward accommodating each other hold out the hope that a union can also be concluded in the field of defense, Colonel General Dmitriy Volkogonov, Russian Soviet Federated Socialist Republic people's deputy and adviser to the Russian president on defense questions, told a TASS correspondent in an interview.

The well-known military reformer noted that there is an important international convention on the nonproliferation of nuclear weapons, and this should not be violated. All the sovereign republics with nuclear weapons on their territory should make state declarations that they are not claiming the status of nuclear powers. A single command headed by the president of the USSR (a confederation of independent republics) should keep nuclear weapons under unified control.

In D. Volkogonov's opinion, favorable preconditions have now developed that enable us to come forward with major new initiatives relating to a cardinal reduction of nuclear potential. The latest steps taken by Presidents Bush and Gorbachev in this field could be the start of

even more sweeping reductions in nuclear weapons, which would certainly be supported by the world community. A defense union of the republics could be integrated into the world system of collective security.

To a question about the future of the 10-volume work "The Great Patriotic War," D. Volkogonov answered: "During my time as chief of the Military History Institute, I was in charge of the work on this major opus. Four volumes were ready. The first volume, 'The Country on the Eve of the War, 1937-1941,' was called anti-Soviet and was completely panned by high-ranking leaders of the CPSU Central Committee and the USSR Defense Ministry. But there was nothing anti-Soviet in it. Basing our work on documents, we told the bitter truth about the events of those years. I was dismissed, and the volume was 'bowdlerized' and radically rewritten in such a way that the tricky points were smoothed down in textbook Brezhnevite style.

"Later I submitted a proposal approved by the USSR president to Marshal of Aviation Yevgeniy Shaposhnikov, the country's defense minister. Essentially it boils down to the fact that right now it is impossible to start publishing the 10-volume work in its present form. Especially since many new documents are coming to light. For the time being we suggested publishing several volumes of essays on the history of the Great Patriotic War and several collections of the most valuable and previously unknown documents. I think that in five to 10 years' time new people will come to write these pages of military history. However, at the moment there is no proper truthful history of the Soviet state in the entire post-October period. I think there are a number of interesting historians who could fill in this lacuna. Next year I myself plan to finish my trilogy 'Leaders' [vozhdi]. I say 'leaders' sarcastically. 'Stalin,' 'Trotskiy,' and 'Lenin' get two books each. In these six volumes I attempt to present a slice of Soviet history over a period of more than 70 years through the prism of views of the personalities of the 'leaders.' I try to look at the sources of their historical failure and the sources of the wholesale collapse of the communist utopia, and at the same time I am trying to say that you cannot erase history as a whole, you cannot 'avenge' it or laugh at it. I am in favor of truth alone prevailing in historical science."

Interior Ministry on Troops in Azerbaijan

OW0711020791 Moscow INTERFAX in English 1735 GMT 6 Nov 91

[Transmitted via KYODO]

[Text] The Soviet Interior Minister has told a news conference in Moscow that Wednesday [6 November] morning a delegation led by the commander of the USSR interior troops left for Baku for talks about the status of the Soviet interior troops in Azerbaijan vith the Azerbaijani leadership.

The minister said the two sides will discuss in particular the seizure of 5 vehicles vith ammunition belonging to the USSR Interior Ministry troops, the actions of Azerbaijani authorities aimed at preventing the withdrawal of the USSR Interior Ministry's property from the republic, as well as the situation in Nagorno-Karabakh. The delegation consists of representatives from Kazakhstan and Russia monitoring the implementation of the Zheleznovodsk communique.

Mr. Barannikov said that on Wednesday he had discussed the issues with Azerbaijan's President Ayaz Mutalibov. There is no confrontation between the USSR and Azerbaijani Interior Ministries, Mr. Barannikov stressed.

Signing of CW Agreement With U.S. Denied

PM0811094991 Moscow KRASNAYA ZVEZDA in Russian 6 Nov 91 First Edition p 6

[Unattributed report: "The Report Does Not Correspond to Reality"]

[Text] Professor I. Yevstafyev, chief of the USSR Ministry of Defense Chemical Troops Chief's Directorate [nachalnik upravleniya nachalnika khimicheskikh voysk], refuted a report published in yesterday's edition of KRASNAYA ZVEZDA and stated that "O. Bedula's remarks published 5 November 1991 in KRASNAYA ZVEZDA on the alleged signing of a treaty between U.S. specialists and the USSR Ministry of Defense Chemical Troops Chief's Directorate on the question of building a terminal for the dismantling [rassnarazheniye] of chemical munitions in the Udmurt Republic does not have any real basis and does not correspond to reality. No talks are being or have ever been held on this question with U.S. specialists."

New Commander Comments on Border Troops' Role

LD0711175991 Moscow TASS in English 1739 GMT 7 Nov 91

[By TASS correspondent Yevgeny Znamensky]

[Text] Moscow November 7 TASS— Soviet President Mikhail Gorbachev on Wednesday [6 November] signed a decree appointing Ilya Kalinichenko chairman of the Soviet State Committee for the Protection of the Soviet State Border—Frontier Forces commander.

"The Committee for the Protection of the Soviet State Border and the United Frontier Forces Command has nothing to do with the former Frontier Forces Chief Command. It will be guided by new political realities to ensure, 'service' and protect citizens' interests in sovereign republics and the Union on the border and in the economic zone. It will perform a coordinating function, while republican border troops will guard the frontiers," Kalinichenko said.

"The border troops will guard the frontiers under agreements to be concluded by the Union and sovereign republics. The Baltic states, the Ukraine, Moldavia and

Belorussia have already signed agreements to regulate the activity of border troops on their territories until they sign inter-state agreements on borders," Kalinichenko said.

Military-Political Organs, Media Groups Meet

PM0711130591 Moscow KRASNAYA ZVEZDA in Russian 5 Nov 91 First Edition p 1

[TASS correspondent R. Zadunanskiy report under "Direct Line" rubric: "USSR Ministry of Defense Commission for Abolishing Military-Political Organs Holds Session"]

[Text] Moscow, 4 Nov—A routine session of the USSR Ministry of Defense Commission for Abolishing Military-Political Organs has been held. It examined the question of setting up within the USSR Armed Forces a Committee for Personnel Work in order to ensure the social and legal protection of servicemen and the dissemination of sociopolitical information within the Army and to inform the public about the condition and functioning of the Armed Forces. The commission came to the conclusion that such a committee is needed, and should be called the Committee for Personnel Work within the USSR Armed Forces. Also examined was the question of training and retraining in the USSR Armed Forces Humanities Academy and other military education establishments some of the servicemen and former military-political officials as personnel work specialists—sociologists, psychologists, and information officers.

In the commission's press service the TASS correspondent was informed that they are receiving reports about ill-considered and illegal appointments of leaders of district and fleet press centers. For example, former officials of the military-political organs without specialist training in journalism and by the nature of their former activity unconnected with military journalism are being promoted to these posts, which contravenes the instructions of the chief of the USSR Armed Forces General Staff. There are incidents of this in the Moscow, Leningrad, Turkestan, and Transcaucasus Military Districts and in the Black Sea Fleet. Therefore, the working group of the USSR Ministry of Defense Commission for Preparing Proposals on the Structure and Functions of the Information Service in the USSR Armed Forces proposes that, in view of the reorganization of the military mass media, until the confirmation of new organizational staff structures in the editorial offices, the leadership of the country's Ministry of Defense carry out the appointment of chief editors and their deputies via coordination with the Ministry of Defense Commission for the Abolition of Military-Political Organs. There is a recommendation that district and fleet press centers be staffed in accordance with the 16 September 1991 instruction of the chief of the USSR Armed Forces General Staff.

Changes to Military Recruitment Outlined

PM0711154491 Moscow KRASNAYA ZVEZDA in Russian 5 Nov 91 First Edition p 1

[Interview with Major General G. Bochayev, chief of a directorate of the USSR Defense Ministry Main Organizational and Mobilizational Directorate, by TASS correspondent S. Ostanin—place and date not given: "Changes Are Overdue, Both in Society and in the Army—Gen. G. Bochayev on the Reform of the Armed Forces' System of Drafting and Manpower Acquisition"—first paragraph is introduction]

[Text] The USSR Defense Ministry has submitted proposals for reforming the Armed Forces' system of drafting and manpower acquisition, for examination by the country's legislative organs. Some of them will be implemented during the fall draft of conscripts into active military service. Major General G. Bochayev, chief of a directorate of the USSR Defense Ministry Main Organizational and Mobilizational Directorate, talks about this to TASS correspondent S. Ostanin:

[Bochayev] We will conduct the fall draft of young men into military service in accordance with existing Union legislation. At the same time we are taking account of the proposals and demands of the sovereign republics with regard to young men's service both on their territory and outside it. There are many difficulties. The leaders of Georgia and Moldova have come out against conscription into the USSR Armed Forces. Armenia and Azerbaijan favor conscripts doing service only on their own territory. The Central Asian republics have agreed to send some conscripts outside their republics, but not to "hot spots." The positions of Belarus [Belorussia] and the Ukraine have not yet been clarified. It can be assumed that, in view of this development of the situation, the main burden of supplying the USSR Armed Forces with recruits will fall on conscripts from Russia. Today the questions of how service is to be carried out are being discussed at meetings which representatives of the USSR Defense Ministry, branches of the Armed Forces, and military districts are having with leaders of the sovereign republics. The search for mutually acceptable ways of solving these questions continues.

Another feature of the fall draft: The USSR defense minister's Order No. 436 has come into force; this exempts those who earlier fell into the category of suitable for noncombatant service from being sent into the troops. This applies to almost 30,000 conscripts. Moreover, servicemen in this category will be discharged from the Armed Forces into the reserves early. And lastly: Nonpermanent personnel of the Navy will be switched from a three-year to a two-year term of service.

I will speak about what lies ahead and about the proposals which the USSR Defense Ministry has submitted to the country's legislative organs only with one important caveat. Implementation of military reform depends on signing a Union treaty, which will define both the country's future and the shape of its Armed Forces. The

USSR Defense Ministry intends to set about reform of the USSR Armed Forces' system of drafting and manpower acquisition next year.

These changes are overdue both in society and in the Army. Take switching personnel to an 18-month service term. In elaborating the proposals, we started from the premise that standards of general educational preparation of conscripts, the modern training system and facilities, and intensification of the training process enable a military speciality to be acquired within 18 months.

The USSR Defense Ministry's package of proposals includes a draft law on amending the existing Law "On Compulsory Military Service." In particular, there are provisions for soldiers, seamen, sergeants, and petty officers to perform their active military service on a volunteer basis by contract. The switch to a volunteer principle for Armed Forces recruitment, to service by contract, is the road toward professionalizing the Army, to improving the training level of Armed Forces personnel. Undoubtedly, the quality of the operational use of combat equipment will be boosted, and the standard of maintenance of this equipment will improve.

I am able to report, on a preliminary basis, that contracts will be concluded for two and a half to three years. After that they can be extended. We will be receiving on a volunteer basis three categories of people: conscripts who have been through 18 months' training in a military speciality; those who have completed compulsory service; and soldiers of the reserve under 35. Service by contract is also envisaged for women.

The experience of foreign countries shows that difficulties in implementing these reforms are inevitable. Reducing the term of active military service threatens a permanent shortfall in the numbers of conscripts. After all, the "turnover" of conscripts will increase. With the introduction of the contract system the numbers of personnel with military training joining up from the reserves will also decrease.

There is no avoiding significant material costs either. Between 15 and 20 billion rubles will be required every year for the financial maintenance of volunteers and the construction of additional housing and hostels, on top of what is now allocated to the Army.

The principle of compulsory military service will be retained alongside the volunteer principle of Armed Forces recruitment. According to our plans, a mixed recruitment system for the Army and Navy will provide for transition to professional Armed Forces in the initial phase.

Ministry Aide Views Army Food Supply Problems

PM0711121791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 6 Nov 91 p 2

[Interview with Major General Akelsandr Artemov, deputy chief of the Defense Ministry Central Food Directorate, by A. Krayniy under the "Military-Provincial Chronicle" rubric; place and date not given: "Will There Be Hunger in the Army This Winter?"—first paragraph is introduction]

[Text] Our correspondent spoke to Major General Aleksandr Artemov, deputy chief of the Defense Ministry Central Food Directorate.

[Krayniy] Aleksandr Leonidovich, what awaits the Army this winter? Soldiers won't starve?

[Artemov] They won't starve, but the situation is very serious. The severing of economic ties has also affected the Army. This year alone the republics failed to supply us with 15 percent of our meat, canned products, butter, and flour.

I have just returned from the Ukraine, where I had a meeting with Defense Minister Morozov, Internal Affairs Minister Vasilishin, and other leaders. There is a decision in force banning the export of food outside the Ukraine. But we've got things to do here!

[Krayniy] Yes, but I remember commanders of all ranks abusing rear service personnel for making them work subsidiary farms, saying "we're stuck with the crap jobs." Today this "crap job" seems the only means of not depending on anyone.

[Artemov] If only! We are still dependent. The Army and Navy have 89 military sovkhozes and more than 9,000 subsidiary farms, but they can only provide the Army with meat, milk, and potatoes and vegetables for three months, six months, and four months respectively. That is a help, nothing more. And people are even trying to take them away. Russia and Kazakhstan have decided to privatize our sovkhozes. The best ones, note.

[Krayniy] But the Army is being and will be cut back. Maybe you don't really need as many sovkhozes, and it's certainly not the best form of economic land management.

[Artemov] Unless we succumb to the sin of totalitarianism, everyone must be given equal conditions—sovkhozes, kolkhozes, private farms. Then we'll see. What's happening now is no better than communist voluntarism.

[Krayniy] Aleksandr Leonidovich, have you got enough money? Prices are rising.

[Artemov] Rising isn't the word, they're skyrocketing. A commander telephoned me today and said: Let me buy onions at 5.5 rubles per kilogram; they're good ones and they'll keep till the spring. Needless to say, I allowed him to do this, but my head hurts: Do we have enough money to pay for food for the entire Army?.

[Krayniy] What about the officers, Aleksandr Leonidovich?

[Artemov] We're struggling to ensure that all officers get their rations as of 1 January. In today's conditions with ration cards and coupons, and so on, that will really

protect officers and their families. We're also striving to ensure that when interrepublic agreements are signed, supplies for the Army are allocated under a separate heading. Some slight guarantee that the troops won't be forced to subsist independently.

[Krayniy] With weapon in hand?

[Artemov] Pray God it doesn't come to that.

Special Militia Chief Troshkin Interviewed

PM0611131991 Moscow PRAVDA in Russian 5 Nov 91 p 3

[Interview with N. Troshkin, chief of a USSR Internal Affairs Ministry special administration, by correspondent A. Vasilyev; date and place of interview not stated; first paragraph is introduction: "What Is There Beyond the Fence?"]

[Text] Almost every day the new times are raising the screen over once secret structures of society. Your PRAVDA correspondent talks with N. Troshkin, chief of one of the USSR MVD [Internal Affairs Ministry] special administrations.

[Vasilyev] Nikolay Nikitich, what kind of an administration is this, about which almost no one knows anything?

[Troshkin] Yes, it is little known to the broad public. But our staffers are well known at the so-called post boxes [secret defense industry enterprises], in military towns, and in some population centers. Everything which we service is connected with the country's defense and the production and testing of weapons. That dictates a certain degree of secrecy, but in no case does it mean that we operate by secret methods.

[Vasilyev] Among a certain section of workers of the law enforcement organs there is the opinion that your staffers work in white gloves.

[Troshkin] I shall say unequivocally that this is an incompetent assessment. Until recently criminal statistics for the military-industrial complex were carefully concealed. Now I can say that for our administration alone over 10,000 criminal infringements have been recorded in the past four years and unaccounted assets worth over 30 million rubles [R] including about five tonnes of precious metals, eight tonnes of alcohol, and 240 tonnes of fuel and lubricants which could have been stolen have been returned to the state's revenue. I shall not conceal the fact that embezzlements are particularly widespread at secret establishments and the writing off of assets for secret production projects is the most customary form of machination.

[Vasilyev] Has secrecy helped cover up embezzlements?

[Troshkin] That's right. Quite recently there was an investigation of the case of the embezzlement of radio components at the "Angstrem" plant. Tens of workers and employees were involved in the criminal business. They thieved on a large scale, on the day and night shifts, continuously. The "commodities" were secret microcircuits used to produce defense items. Manufacturing processes were disrupted and there could have been a leak of information on the nature of the activity of the secret establishment. The crime was in fact facilitated by the existence of so-called planned spoilage. The damage was about R1 million.

[Vasilyev] Nikolay Nikitich, if there is a militia with the "special" prefix, does that mean they have some special privileges?

[Troshkin] None. On the contrary, we are experiencing considerable difficulties with housing, food, and goods. In addition to all the rest our personnel are on an equal footing with workers and employees at secret establishments and like them often work in harmful production facilities, under conditions of increased radiation and toxicity. You remember Chelyabinsk 1965 and the "Mayak" enterprise. That city and that establishment are serviced by a subunit like ours.

[Vasilyev] And what about the specific nature of the functions at secret enterprises?

[Troshkin] They do exist. Our staffers from criminal investigation and the department for combating embezzlements of socialist property cannot be called detective officers in their pure form. They are generalists of a kind. Essentially there is not even any strict division into lines of work. We guard special secret establishments, we escort secret freight, we ensure the safekeeping of state and military secrets. Right now we are studying questions of preventing the leakage of commercial secrets. We are planning to render legal services to workers and employees on the basis of the juridical aid method. A "telephone of trust" operates at all the enterprises we service. A major theft was recently uncovered with its aid. We have created the "law and order" social fund and with its aid we intend to engage in elaborating and introducing rehabilitation programs, means of protection, and criminological equipment.

[Vasilyev] One forms the impression that you have more problems than the ordinary militia...

[Troshkin] We have more than enough problems. They are just the same as other people's problems. After all, what courage and patience you need to retain a sense of duty if there has been a succession of reorganizations since 1982... All this is reflected in the personnel. Their pay only just enables them to make ends meet. There are your "special privileges" for you. It is no secret (but a common misfortune) that there is a mass drain of militia staffers into various cooperatives and joint ventures... Our former colleagues are beginning to oppose us. Truly a cheap militia costs the state dear.

[Vasilyev] There has been talk that your organs are being abolished...

[Troshkin] That is true, although it is not necessary to prove to anyone that their topicality has not only not disappeared, it has increased. I am sure that a high standard of law and order should accord with the functioning regime of particularly important establishments where state secrets are concentrated and the country's defense shield is created. Incidentally, the state's security depends on this.

We realize, N. Troshkin said in conclusion, that with a consideration for the processes taking place in the country the system of our subunits should undergo substantial changes. And we are prepared for them and have ourselves made proposals to the MVD. I think the opinion of the staffers of the special subunits cannot be discounted.

Various options are possible for organizing the struggle against crime at secret establishments and only one is impossible—eliminating the system now operating with its experience in fulfilling particularly specific functions and abolishing the complex structures with centralized coordination. Under the conditions of chaos and the country's collapse this could lead to unpredictable consequences.

Army General Lobov Describes Military Charity

PM0411163791 Moscow KRASNAYA ZVEZDA in Russian 2 Nov 91 First Edition p 1

[Interview with Army General V.N. Lobov, chief of the USSR Armed Forces General Staff and president of the "Defender of the Fatherland" Interrepublic Fund for Humanitarian Aid to Servicemen, conducted by correspondent Major I. Ivanyuk under the "Topical Interview" rubric; place and date not given: "'Defender of the Fatherland': The First Steps"—first paragraph is editorial introduction]

[Text] A new public organization—the "Defender of the Fatherland" Interrepublic Fund for Humanitarian Aid to Servicemen—was registered at the USSR Justice Ministry on 10 October 1991. Army General V.N. Lobov, chief of the USSR Armed Forces General Staff and president of the fund, describes its aims and tasks at the editorial office's request.

[Ivanyuk] Vladimir Nikolayevich, the first question is no doubt self-evident: On whose initiative was the servicemen's humanitarian aid fund set up?

[Lobov] The need to set up such a fund was prompted by life itself, but the actual initiative in this instance came from the Army community. Proposals were received from servicemen in Leningrad, Moscow, the Far East, and Turkestan Military Districts. The collectives of a number of large organizations also acted as initiators of the fund. These include the All-Union Association of Councils of Reserve Servicemen and Internationalist Servicemen, the "Kharkovskiy Velozavod" production association, the "Bank Razvitiya—XXI Vek" commercial bank, the "Soyuzdor" association, the "Meta" and "Ekspress" commercial firms, the Russian Association of Women Entrepreneurs, and others. They acted as sponsors and contributed certain sums to create the incorporation capital, which helped the fund get on its feet and start carrying out its statutory objectives of providing social protection for servicemen and their families.

[Ivanyuk] However, such public associations, including funds, do already exist: Why another one?

[Lobov] First, I would point out that, as distinct from other such public organizations, our fund will be helping first and foemost those who are in the services today—soldiers, sailors, sergeants, warrant officers, petty officers, officers, and their families. Hence the title "Defender of the Fatherland." We have pinpointed a number of priority areas in accordance with which our charitable programs will be carried out. I will name just a few of them: "Military Fraternity" is a program to assist servicemen discharged as a result of cuts in the Armed Forces who do not enjoy pension rights. "Charity"—here the focus will be on servicemen who have been maimed or otherwise injured during military service. The "Family" program will offer help to large families. Our work encompasses 10 such areas in all.

Second, the scope of activity in respect of servicemen's social interests is so wide that there is enough work for everyone. I think that the growing number of such organizations testifies to the acute urgency of the problem. It is no secret that the state today is, unfortunately, unable to resolve it without the involvement of social forces. So I consider that there is a pressing need for more extensive development of the social mechanism for protecting servicemen in society.

[Ivanyuk] We have really become accustomed, it seems, to the fact that the state cannot solve every problem. But this is even more true of the "Defender of the Fatherland." The fund is assuming care for relatively small groups of people. Why should the state not provide them with legislative safeguards? Surely this is not such a large outlay?

[Lobov] You are right that legislation protecting servicemen's rights requires constant improvement. I am not even thinking of the current situation, where the lawmaking process has come to lag intolerably behind life. So the statutes of the humanitarian aid fund lay down that it is entitled, if need be, to come forward with a legislative initiative and participate in the drafting of decisions for state power and management bodies.

But you are not right to claim that the outlay is small. If you bear in mind that the problems of servicemen's social protection have been denied proper attention for many years, it is only natural that quite a few "debts" should have built up. So if the fund takes on even a small amount of such essential outlay, no one—neither people, nor the state—will lose out.

However, there are quite a few problems which it is pointless to tackle legislatively, since they are an exception to the rule. For example, 211 Afghan war disabled are currently serving in the USSR Armed Forces. The decision to retain them on the strength was dictated by humane considerations. Our task is to underpin this humanity with concrete assistance.

[Ivanyuk] That is to say, aid will go first and foremost to those in greatest need...

[Lobov] Yes, naturally... It is no accident that we have highlighted, for example, officer cadets, students of military higher educational establishments, and servicemen of all categories who are without parents. The fund will offer assistance to the families of servicemen killed in the performance of their official duties. But, on the oher hand, our organization cannot avoid other socially significant problems either. Such as commemorating servicemen who have died heroic deaths, assisting the intellectual development of people in uniform, supporting talented people who in remote garrisons lack the conditions necessary to realize their ability, and sending the children of servicemen from the area affected by the Chernobyl nuclear power station to recuperation camps and recreation homes and for treatment, including treatment abroad.

[Ivanyuk] And how will such a large number of diverse programs be financed?

[Lobov] It is, of course, impossible to finance them solely through the voluntary donations of organizations and individuals. But the fund would certainly not be a serious public organization if it engaged solely in collecting and distributing money. We hope to raise some funds from selling redundant military property. But generally speaking, charity and alms are not the same thing. And in this regard the fund board intends to carry out all its charitable programs through profit accumulated from its own entrepreneurial activity. The money will have to be earned.

This, incidentally, is bound up with the implementation of yet another important program, one which we have not yet talked about. I am thinking of assistance to servicemen discharged as a results of cuts in the Armed Forces to master new skills and adapt to the market economy. There is already an accord with certain business schools which will, with the fund's help, train skilled specialists.

Those now being forced to leave the Army are highly trained people, and it is simply intolerable that an effective application for their abilities not be found in the national economy. They will be able to work at enterprises purchased or set up by the fund. Vacated military camps could serve as pretty good facilities to start with. It is no secret that many of them have not been used at all since they were handed over to local authorities and have become neglected. That is a waste. I personally am very much counting on the Interrepublic Fund for Assistance to Military Servicemen's giving a lot of help in comprehensively tackling the difficult tasks which have fallen to the Armed Forces' lot.

[Ivanyuk] And can a regular serviceman be a member of the fund?

[Lobov] Of course he can, if he acts within the prevailing laws and the regulations of the public organization.

[Ivanyuk] What is the fund's structure?

[Lobov] There is a board which works, like me, on a voluntary basis. A small executive office is being set up here, in the center, but its main work will develop at local level. A branch of the fund, headed by A.B. Shiplev, is up and running in Arkhangelsk Oblast. Work is under way to set up branches in the Far East, Siberian, Leningrad, and other regions. Here, in forming the new structures, it is not only the help of the local organs of power that is important: That of commanders and chiefs of all levels, particularly military district commanders, is important too.

[Ivanyuk] In which republics is the fund operating?

[Lobov] Three territories—Russia, the Ukraine, and Uzbekistan—for the present. But I think that this movement will expand in the future. The Army is now beset with many problems, and they must be tackled through people and through the protection of their social interests, rights, and freedoms. Therein lies the guarantee of our being able to attain new qualitative standards in military organizational development and reliably protect our country.

[Ivanyuk] And my final question. Many people wanting to participate in the fund will no doubt come forward after the article appears in the newspaper. Some people will wish to apply for help. Whom can they contact and how?

[Lobov] I think that the fund will very soon be able to publish contact numbers and the exact address of its registered office via the newspaper. But I would like to give advance notice to everyone who is interested that the fund is presently in the stage of being set up. The action group concerned with creating it has run into numerous problems of an organizational, personnel, and economic nature which are inevitable at this stage. It will take some time before the fund is operating at full capacity.

Estonia

Russian-Speaking Town Celebrates on 7 Nov

OW0711134191 Moscow BALTFAX in English 1200 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] Second World War veterans and "advanced communist workers" have today laid flowers at the statue of Lenin in the predominantly Russian-speaking Estonian town of Narva. A BF [BALTFAX] correspondent reports that ceremonial meetings have been held in various districts of the town to celebrate the 74th anniversary of the October Revolution.

Talks With USSR To Begin 10 Nov

OW0711180091 Moscow BALTFAX in English 1726 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] According to the Estonian Government press office, talks between Estonia and the USSR will begin on November 10th in the village of Narva-Joesuu (in the northwest of Estonia). The Estonian delegation will be led by Prime Minister Edgar Savisaar, the Soviet one by Mayor of St. Petersburg Anatoliy Sobchak.

The talks will focus on the withdrawal of Soviet troops from Estonia, border control, bilateral economic relations, etc.

Initial Trade Agreement Reached With Finland

LD0711231191 Helsinki Suomen Yleisradio Network in Finnish 1600 GMT 7 Nov 91

[Text] Finland and Estonia have reached an agreement on the principles of a new temporary trade agreement. It has been agreed at the negotiations in Tallinn that Finland and Estonia will continue free trade in industrial goods. According to Antti Satuli, head of the Foreign Ministry Trade Department, who is leading the Finnish delegation, trade in agricultural goods will be agreed separately later. According to the agreement, trade will be conducted with exchangeable currencies in principle, but the agreement includes a possibility of barter trade between enterprises. The aim is to get the agreement, which replaces the agreement valid before World War II, ready by 8 November. According to Satuli, it will be possible to negotiate on permanent arrangements only when Estonia has developed its foreign trade system, which currently is almost nonexistent.

Latvia

'Several Thousand' Mark Oct Revolution

LD0811093291 Riga Radio Riga Network in Latvian 1830 GMT 7 Nov 91

[Excerpt] [passage omitted] In Victory Square in Riga a meeting devoted to the 74th anniversary of the October Revolution took place today. The weather was windy and rainy. Several thousand people gathered in the square, chiefly war and Soviet Army veterans. Unfortunately it was not possible to find out who were the initiators of the meeting. One member of the organizing committee said that there were representatives of the city's labor collectives and public organizations on the committee. A LETA correspondent was told at the Riga city executive committee and the Zemgale rayon council that the meeting had not been sanctioned.

Council To Sell Soviet Military Property

OW0811101391 Moscow BALTFAX in English 1430 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] Valdis Lauskis, chairman of the Daugavpils City Council, has told journalists that "there are already people willing to buy property of the military units stationed in the city". He said that the Daugavpils authorities are holding talks with commanders of the units on their property, including a military airbase, an artillery base and a warehouse of chemical weapons. A few days ago the Latvian parliament ruled to tranfer all of the military property on republican territory to Latvian control.

Readiness of National Guard Questioned

OW0811101491 Moscow BALTFAX in English 1430 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] Girts Kristovskis, acting commander of the Latvian National Guard, described the defense concept worked out by a special parliamentary commission a "contrary to time". [sentence as received] The concept envisages that different subunits of the defense forces should be subordinated to different ministries.

At a news conference in Riga Thursday [7 November] Mr. Kristovskis expressed concern about the fact that the parliament is delaying the discussion of a draft law on emergency situations which was already prepared in July. Mr. Kristovskis believes that "in case of an emergency situation we may find ourselves unarmed". The adoption of the law could clarify the question of cooperation between different Latvian defense structures in an emergency.

Mr. Kristovskis also said that about 9,000 people have already applied for membership in the National Guard. Equipment problems will be resolved by specially created local headquarters.

Visas for Trips to Poland Suspended

PM0711151591 Moscow IZVESTIYA in Russian 5 Nov 91 Union Edition p 2

[Irina Litvinova report under the "Direct Line" rubric: "Restrictions on Travel to Poland"]

[Text] Riga—Under a government ordinance the issuing of visas for tourist, private, and official trips to Poland has been suspended in Latvia through the end of the year. The decision is designed to protect the Latvian market against exports of goods outside the republic.

A number of Supreme Council deputies have made a critical assessment of the decision. They have voiced doubt as to its conformity with international documents in the human rights sphere. Deputies of the People's Front faction have voiced a supposition that the actions of the Latvian and Lithuanian Governments in restricting entry to Poland were coordinated.

Baltic salesmen have become a noticeable phenomenon in Poland. But, as a rule, they trade not in local goods but in goods imported from other parts of the country. In particular, trade in gold, for which the Latvian Government has set the highest prices on the territory of the former Union, has become the most profitable in recent months.

Energy Official Forecasts Winter Shortages

LD0711181791 Riga Radio Riga International in English 2130 GMT 6 Nov 91

[Text] The Latvian Minister of Energetics Auseklis Lazdins [title as heard], declared that this year can embrace [as heard] energy shortages. In October, energy delivery contracts between Latvia and Russia had not been fulfilled. Oil exports through Ventspils will be forced to cease if Russia does not comply with their contractual agreement. Sixty-thousand tonnes of gasoline are required in Latvia monthly to maintain a decent standard of living. Denmark has agreed to supply Latvia with 200,000 tonnes of gas within a week, costing Latvia 50 million U.S. dollars.

This shortage will drastically affect the national consumption of electro-energy and power stations cannot guarantee homes will be sufficiently heated this winter.

War Crimes Agreement Signed With Canada

LD0711195691 Riga Radio Riga Network in Latvian 1830 GMT 5 Nov 91

[Text] Today at the Latvian Procuracy, Procurator General Janis Skrastins and Peter (?Kremer), director of the section of war crimes and of crimes against humanity of the Canadian Justice Department, signed a memorandum of cooperation between the Latvian Procuracy and the Canadian Justice Department.

It has been written into its first item:

The Canadian side demands of the Latvian side assistance and the Latvian side will offer the Canadian side assistance in order to investigate and to start legal proceedings against persons living in Canada who, in accordance with Canadian laws, are suspected of having committed a war crime or a crime against humanity in Europe during the time of the German National Socialists. This is the second document of this kind which has been signed by our procuracy. The first was signed with Australia.

During the signing ceremony, Skrastins said that all those repressed without grounds must be rehabilitated, but all those who are guilty must receive punishment. The war criminals have dispersed all over the world, therefore for their investigation international cooperation is necessary. At the present moment there are no differences of opinion concerning cooperation with the Canadian colleagues.

Lithuania

Parliament Confiscates Communist Property

LD0711213791 Moscow TASS in English 2127 GMT 7 Nov 91

[Text] Vilnius November 7 TASS—The Lithuanian parliament on Thursday [7 November] voted to appropriate the property of the Lithuanian Communist Party, Komsomol and other Communist organisations.

The resolution also sanctions the confiscation of property of the Lithuanian Democratic Labour Party, which broke away from the Communist Party to form an opposition political force in the republic.

The leftist parliamentary faction opposed the resolution, saying it allows rightist forces to begin an offensive against the opposition.

Prime Minister Announces Price Liberalization

OW0811070891 Moscow BALTFAX in English 1726 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] Speaking in parliament November 7th, Lithuanian Premier Gediminas Vagnorius said that starting from next week Lithuania introduces free prices on some foodstuffs. Part of foodstuffs will be sold for coupons at current prices. Mr. Vagnorius suggests that the gap between fixed and free prices will make up about 50%.

At the end of next week prices on consumer goods will also be liberalized.

The prime minister said an average salary in Lithuania now is 1,000 rubles a month.

Mr. Vagnorius noted that "the situation in the country is not as good as we would like it to be". He said that the government is informed about preparations for terrorist acts and sabotage of the government's decisions.

Mr. Vagnorius expressed confidence that the USSR will try to exert economic pressure on Lithuania in order to preserve its dependency. He pointed out that the Soviet Union has already cut its shipments to the republic by 50%. He also voiced doubt that talks between the USSR and Lithuania may begin before the USSR is convinced of the "futility of its attempts to bring Lithuania to its knees".

"The government is determined to liberalize prices next week because it can't wait until the Yeltsin government takes the same measure. Lagging behind Russia for one or two months would be fatal for Lithuania", Mr. Vagnorius said.

Parliament To Issue 'Foreign Loan Bonds'

LD0711232491 Vilnius Radio Vilnius in English 2230 GMT 7 Nov 91

[Text] The Lithuanian Supreme Council today passed a decision on issuing special foreign loan bonds to support the consolidation of Lithuania's independence.

The total sum of the bonds to be released next year will reach 200,000,000 dollars. The bonds are guaranteed by state property. The government is commissioned to issue the bonds at the beginning of next year and to organize their distribution abroad.

The resources raised in this way will make up a special fund, not included in the budget, which will go to credit the economy and business. The fund will be disposed [as heard] by the government.

Landsbergis To Visit U.S., Italy, Vatican

LD0811000391 Vilnius Radio Vilnius Network in Lithuanian 2000 GMT 7 Nov 91

[Text] During 10 to 19 November, Lithuanian Supreme Council Chairman Vytautas Landsbergis will visit the U.S., Italy, and the Vatican. This was announced today at a briefing in the Supreme Council. During his U.S. visit, Landsbergis will take part in the congress of the American Trade Unions, the American Labor Federation, and industrial organizations and will deliver a speech there. The U.S. trade unions, as is known, during even the most critical days to Lithuania in January and during the blockade, were resolutely supporting our aspirations and exerting pressure on the U.S. Administration to render political support to Lithuania. A program of meetings in Washington has been outlined.

Landsbergis will then go to Italy and the Vatican. It is already known that the chairman of the Lithuanian Supreme Council will meet Italian President Francesco Cossiga, Prime Minister Giulio Andreotti, and other officials. His Vatican schedule is still being coordinated.

Landsbergis Meets Austrian Chancellor

LD0711205391 Moscow TASS in English 2026 GMT 7 Nov 91

[By correspondent Vladimir Smelov]

[Text] Vienna November 7 TASS—The Soviet Union and Russia do not exert political pressure on Lithuania, Lithuanian Parliamentary Leader Vytautas Landsbergis told journalists on Thursday [7 November] after his meeting with Austrian Chancellor Franz Vranitzky.

Landsbergis, who is in Vienna at the invitation of the Austrian PEN-club, gave a positive assessment to bilateral relations between Lithuania and Russia. He said the republic will soon sign trade agreements with Russia and the Soviet Union.

Landsbergis and Vranitzky agreed to send Austrian governmental experts and economists to Lithuania to discuss ways to boost economic cooperation between the Baltic states and Austria.

Landsbergis warned conservative communist forces may revive in the Soviet Union and Lithuania and warned against underestimating "the influence of the Soviet Army, KGB and the former nomenclature".

Prime Minister Meets U.S. Ambassador

LD0711234591 Vilnius Radio Vilnius Network in Lithuanian 2000 GMT 6 Nov 91

[Text] U.S. Ambassador in Lithuania Darryl Johnson was received today at his request by Lithuanian Prime Minister Gediminas Vagnorius.

The prime minister informed the diplomat about the results of his recent visit to the United States, which have been positively assessed by the Lithuanian Government. Meetings with U.S. politicians and trade representatives, the bilateral agreement on the guarantees of foreign investments, and other important agreements, noted Gediminas Vagnorius, make it possible to draw a conclusion over the possibilities of moving to a new period of cooperation between our countries.

Mr. Johnson expressed his satisfaction over relations between the United States and the Republic of Lithuania. He handed the prime minister drafts prepared by the U.S. State Department on financial and other aid to Lithuania and stated that next week a group of U.S. financial, power engineering, and other experts will visit Lithuania to discuss these drafts with representatives of the republic's departments.

Prime Minister Receives Swiss Delegation

LD0811094691 Vilnius Radio Vilnius Network in Lithuanian 2000 GMT 7 Nov 91

[Text] Lithuanian Prime Minister Gediminas Vagnorius today received a Swiss Government delegation. According to a coordinated program, experts taking part in the delegation have been examining the Lithuanian banking and financial system. Technical support to Lithuania will be given on the basis of their conclusions and arranged programs, which would be financed by the Swiss Government.

The talks with the prime minister were attended by [name indistinct], chairman of the Swiss Banking Union, and by representatives of the Swiss Foreign Ministry, the National Bank, and government departments. Views were exchanged on the priorities in creating a modern banking system in Lithuania, on Lithuania's integration into the world banking system, and other problems of businesslike cooperation of interest to both sides.

Measures Adopted To Protect Foreign Embassies

LD0711215791 Vilnius Radio Vilnius International Service in Lithuanian 2200 GMT 6 Nov 91

[Text] At today's meeting the government discussed immediate measures to protect foreign embassies and foreign citizens. As is known, several crimes have been committed recently in Lithuania against foreign diplomats and foreign citizens. The most significant was at Astoria Hotel in Vilnius, where a safe was stolen from the Italian ambassador. The safe contained a large sum of U.S. dollars, Italian lira, and rubles. On the night of 4-5 November two cars belonging to Norwegian diplomats were broken into.

It was stated at today's meeting that these offenses are not only of a criminal nature but also of a political nature, with the aim of discrediting the prestige of the Republic of Lithuania.

Procurator To Charge 15 in Vilnius Incident

OW0811070991 Moscow BALTFAX in English 1726 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] In the next few days the procurator's office in Lithuania will present 15 individuals with official charges of implicity in the events of January this year, when several civilians died during a storm on Vilnius's television center. This was the information given by Procurator-General Arturas Paulauskas to the weekly journal "GIMTASIS KRASTAS". The procurator's office said that three of the accused—former Lithuanian Communist Party leaders Burokevicius, Naudziunas and Jermalavicius—are currently in Moscow, and that since, formally speaking, they were citizens of the USSR, the issue of their extradition to Lithuania would have to be settled on an inter-governmental level.

Mr. Paulauskas stated that on the Lithuanians' request representatives of the Russian Federation procurator's office had interrogated former KGB chief Vladimir Kryuchkov, former Soviet Defence Minister Dmitriy Yazov and Anatoliy Lukyanov, ex-chairman of the Soviet Union's Supreme Soviet, in connection with the Vilnius events. The Lithuanian procurator's office has also carried out interrogrations in Moscow of Mssrs Bobkov, Fedoseev and Tsaplin, former officials in the KGB's top ranks, and of Mr. Martsinkus, ex-chairman of the Lithuanian KGB.

Mr. Paulauskas believe that a more or less complete picture of January's tragic events can already be constructed on the material gathered in Vilnius and Moscow.

The procurator said that "plans for an attack against the Republic of Lithuania were being seriously contemplated as far back as the summer of 1990". It was then that the Central Committee of the Soviet Communist Party called a meeting specially devoted to the situation in Lithuania and discussed "possible measures". At the beginning of January, on the eve of the Vilnius events, Mikolas Burokyavichus, first secretary of the Lithuanian Communist Party, was in Moscow, involved in talks with Dmitriy Yazov, former Central Committee chairman Victor Shenin, ex-Soviet Foreign Minister Boris Pugo, Victor Kryuchkov and Evgeniy Boldin, the Soviet president's chief of staff (all of whom, with the exception of Pugo who shot himself, were arrested following the failed August coup).

Poll Shows Most Want Citizenship

OW0811101591 Moscow BALTFAX in English 1430 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] The Lithuanian parliament discussed a new draft of the law on citizenship on November 6th. The draft suggests that those people who can prove the following circumstances are eligible to receive citizenship: inhabitant of the republic for at least ten years, knowledge of Lithuanian language, and legal place of residence.

According to information from the Lithuanian Interior Ministry, 2,466,142 people out of a total population of 2,838,732 (that is 86.9%) intend to receive citizenship. In certain regions, desire to be granted citizenship is as high as 98%. A large percentage of the inhabitants of the Polish regions also desire Lithuanian citizenship: in Vilnius county—87%, and in the Shalchininkaiy region—90%. In Vilnius and other large Lithuanian cities the percentages are being verified.

'Passions Raging' Over National Currency

PM0711152791 Moscow IZVESTIYA in Russian 5 Nov 91 Union Edition p 2

[By N. Lashkevich: "...Passions Raging in Lithuania over the Lit"]

[Text] Vilnius—A veritable spate of rumors and of all sorts of suppositions was provoked by a mysterious load delivered recently to the Lithuanian Bank.

For several hours policemen armed with submachine guns closed off a section of Gediminas Avenue in Vilnius and surrounded the bank. Journalists at once assumed that the new Lithuanian money—lits—had been brought there in special containers.

However, it cannot be ruled out that the special vehicles also brought rubles, which are plainly in short supply in the republic today in connection with wages, which were increased by 30-40 percent as of October. In November it will be necessary to pay the population almost 300 million rubles more than last month.

However, lits are at the forefront in Lithuania today. The frightened population is already talking of the possible date for "lit hour"—10 November or, in the last resort, before the new year. No one, except of course people in the know, knows when the lits will actually be introduced or the ratio in which they will be exchanged. The government evades direct answers. Addressing the Lithuanian parliament, V. Landsbergis declared that, in accordance with generally accepted norms, nowhere in the world is an exchange of money announced in advance, nor is it announced when, how, and in what proportion the money will be exchanged.

Meanwhile, 45 deputies have signed a statement proposing that parliament discuss as soon as possible the question of issuing Lithuanian money, and V. Baldinis, chairman of the board of the Lithuanian Bank, has already submitted a corresponding law and a resolution on its realization. V. Landsbergis has declared that it might become necessary to introduce the lit at any time in the very near future, thus confirming the rumors of an imminent monetary reform. He accounted for its acceleration by saying that Russia is already ready to take tough measures in the economic and financial sphere, and B. Yeltsin has been granted great powers in this connection. The likelihood of the introduction of Russian money, which Moscow, as is known, does not rule out, has caused concern in Lithuania.

Federation Affairs

Biographies of Burbulis, Gaydar, Shokhin

LD0711132691 Moscow TASS in English 1237 GMT 7 Nov 91

[Text] Moscow November 7 TASS—Russia's Secretary of State Gennadiy Burbulis was appointed the republic's first deputy prime minister, in keeping with a decree by President Boris Yeltsin made public today.

Other published decrees by Yeltsin, also dated November 6, made Yegor Gaydar and Aleksandr Shokhin Russian deputy prime ministers respectively responsible for economic policy and social policy.

Burbulis, born in Pervouralsk in the Ural mountains in 1945, is a graduate of the Philosophy Department of Ural State University, where he enrolled after completing his stint in the army. He later worked as a college lecturer and has the equivalent of an M.S. degree in philosophy.

In 1989 Burbulis was elected to the national parliament. From 1990 he has been a plenipotentiary representative of Boris Yeltsin, then chairman of the Russian legislature. Burbulis managed his campaign staff during the first presidential election in Russia and has been republican secretary of state since July 19.

Gaydar, who holds a doctorate in economics, headed the Institute of Economic Policy and is among the authors of Yeltsin's latest radical economic reform programme outlined to the Russian congress on October 28. Gaydar is the grandson of the late popular Soviet children's writer Arkadiy Gaydar.

Shokhin, Dr. (economics), has been Russian labour minister since August 1991. Before that, he was director of the Soviet Academy of Sciences' Institute of Employment Problems. He is the author of more than 100 scientific works.

Analyst Views Decree Banning CPSU Activity

LD0711162191 Moscow TASS in English 1504 GMT 7 Nov 91

[By TASS analyst Lyudmila Aleksandrova]

[Text] Moscow November 7 TASS—Russian Republic President Boris Yeltsin on Wednesday [6 November] signed a decree banning the activity of the Soviet Communist Party in Russia.

The decree, which ends the 74 years of communist rule in the republic, said the party "was a special mechanism for forming and exercising political power by merging with state structures or by subjugating them to the Communist Party."

The decree was obviously prompted by the fear that former party structures on the periphery will become the main brake for sweeping economic reforms proposed by Yeltsin last week.

The ban of the activity of the Communist Party will also help solve the problem of party property.

The decree warns against attempts to "defame millions of ordinary Communists who have nothing to do with arbitrariness and violence" to avoid a "witch hunt".

The removal of the Communist Party from the political arena will create a vacuum, which may be filled by its "successors," including neo-Bolsheviks supporting Nina Andreyeva or the People's Party of Free Russia headed by Russian Vice-President Aleksandr Rutskoy, which proclaims "social partnership".

The Russian leadership will also have to create new management structures replacing ousted party organizations to carry out the proposed economic reforms.

'Unity of Communists' Protests

LD0811093791 Moscow TASS International Service in Russian 1700 GMT 7 Nov 91

[Text] Moscow, 7 Nov (TASS)—Sergey Skvortsov, chairman of the Committee "for the Unity of Communists" [komitet "za yedinstvo kommunistov"] has called the Russian president's decision banning the activities of the Communist Party in the republic an "illegal measure." He phoned TASS today on the "hotline" to make a statement on behalf of the committee.

The committee thinks that this is another step along the road to suppressing opposition and establishing a personal dictatorship. The statement emphasizes that intimidating Communists can only drive all dissenters underground, and this road leads to an impasse. The people's dissatisfaction cannot be eliminated by repression, but communists will continue their activities to protect the interests of the working people, Sergey Skvortsov pointed out.

Burbulis Says Economic Problems 'Curable'

LD0711173191 Moscow TASS in English 1948 GMT 6 Nov 91

[Text] Moscow November 6 TASS—"No matter how grave the economic disease might be, it is curable," Russian State Secretary Gennadiy Burbulis told the NEW TIME monthly.

In his opinion, for the first time ever all the three necessary conditions for reforms' success have shaped up: the political will and authority of President Yeltsin, professionals, wishing to and capable of holding the reforms, and psychological preparedness of the majority of the population.

The Russian state secretary said that a specific plan of actions is being elaborated on practically all directions of

the reform. However, at the spot, the president's will meets resistance of former party apparatchiks, who have occupied various levels of power.

Gennady Burbulis explains by this fact the need to create a sanguineous system of presidential power. It is not an emergency situation, but an attempt to fully use the constitutional rights of the president.

The negative reaction of the republics to Russia's conduct was provoked, in the opinion of Burbulis, by "painful and unclear to many people process of the disintegration of the totalitarian system."

Burbulis urged not to make hasty political estimations until the process acquires clear shapes. He sees it as the way out of the current situation. The Russian state secretary is sure, it is impossible to reanimate a state, which has become historically outdated.

State Licensing Committee To Control Trade

OW0811085291 Moscow INTERFAX in English 2015 GMT 7 Nov 91

[From the "Soviet Business Report" transmitted via KYODO]

[Text] The State Licensing Committee of the Russian Federation, which was set up in September, will become the central and only body to control export and import policy in the Soviet Union's largest republic.

According to Mr. Vitor Yaroshchenko, the committee's chairman, Russia should begin licensing trade with the former Soviet republics on Jan 1. He is also in favour of retaining licenses for the export of raw materials and metals.

When the state monopoly on foreign trade was abolished at the end of the 1980s, a system of export licenses was introduced under the control of the central ministries. After the collapse of the coup in August the authority to grant licenses went to the republics. Today everything that is produced for export in the Russian Republic "including arms, gold, diamonds, energy resources and timber" will be subject to licensing by the Russian Government, said Mr. Yaroshchenko.

In a bid to join GATT, Russia has set up a single department to regulate tariffs and trade—the State Licensing Committee.

The committee, which at present has a staff of 160, is preparing to issue licenses for shipments to other former Soviet republics.

At present, the republics are reselling various natural resources, bought in Russia for rubles, for hard currency, said Mr. Yaroshchenko. He quoted the example of Georgia which purchased 140,000 tons of Siberian coal from Kemerovo and sold it to Turkey for $17 a ton, while Russia was exporting it for $40 a ton. Lithuania, he said, continued to sell Russian oil, received from Moscow to meet its domestic requirements, while the Ukraine sold off 5-7 mn. [million] tons of the 55 mn it had received.

It is precisely for these reasons, explains Mr. Yaroshchenko, that Russia will in the first instance license the export of energy resources, raw materials and supplies: "Otherwise, the whole of our transport system, our agriculture and our building industry could come to a halt."

After the introduction of internal convertibility for the ruble, when each importer will be obliged to buy foreign currency from the state at market rates to pay for foreign imports, the number of licenses issued should drop sharply and may then be limited only to "certain groups of goods."

The chairman of the Licensing Committee warns that "as the market becomes saturated Russia will increase import licensing" so as to protect it own electronics, engineering and automobile industries.

"But this is very much something for the future," added Mr. Yaroshchenko. The main thing now is to fill the empty shelves in the shops.

Russia, he said, will try to retain a single customs zone throughout the Soviet Union and a certificate of origin will be required for all goods to be exported. Then, Mr. Yaroshchenko explains, oil will not be able to be exported under a Georgian license nor timber by Uzbekistan. (Georgia is not an oil producer nor Uzbekistan a producer of timber).

"The republics have more to gain from economic union than does Russia," Yaroshchenko commented. Today, the largest of the Soviet republics is forced to "hold talks from a position of strength" and it is telling the former members of the Soviet Union: "If you wish, you can come with us into the market, but if you don't, we'll go in alone."

If the republics turn down the proposal to retain a single currency and fail to observe the rules on the issuing of national currencies without damaging the ruble, Russia will begin trading in convertible currency. "And that is something no republic other than Russia can do," Mr. Yaroshchenko said. "I believe that what is needed here is firmness, otherwise we'll never get out of the mess we're in."

Mr. Yaroshchenko said that the decree on the liberalization of foreign trade, which is part of the package of reforms announced by Mr. Yeltsin, should be very carefully drawn up. The draft decree envisaged the complete abolition of export quotas, licenses and taxes on all goods and raw materials. "If export taxes are done away with and there is no licensing, then everything will disappear from the Russian markets," Mr. Yaroshchenko argued, keeping in mind the difference between internal Soviet prices and world prices and the weakness of the ruble. "With the ruble taking a headlong dive,

enterprises are rushing to sell their raw materials and goods abroad at give-away prices," he warned.

Russia will maintain the licensing system in regard to the following 14 commodities: coal, oil, petroleum products, natural gas, timber, saw timber mineral fertilizers, copper, zinc, tin, primary aluminium, non-ferrous scrap, grain and vegetable oils.

Chamber of Commerce, Industry Established

OW0811091491 Moscow INTERFAX in English 1311 GMT 7 Nov 91

[From "Soviet Business Report" transmitted via KYODO]

[Text] As the old mechanisms of managing the country's economy continue to crumble and the number of monopolies shrinks, entrepreneurs—who even now produce about R [ruble] 100 billion worth of goods and services—are forced to adjust to a new operating environment. One of the steps in this direction is the decision to establish the Russian Chamber of Commerce and Industry (CCI), which was taken at a congress of Russia's regional chambers of commerce and industry in mid-October.

At a constituent congress held on October 19, representatives of Russian entrepreneurs voted unanimously to found the Chamber of Commerce and Industry of the RSFSR [Russian Soviet Federated Socialist Republic].

It should be noted in the first place that the setting up of the chamber is the logical outcome of integration-oriented processes in the alternative economy, says the chamber's president, Mr. Stanislav Smirnov. In his opinion, chambers of commerce and industry have a vital role to play in promoting integration and coordinating and protecting the interests of the businessmen.

The Russian CCI will be set up as a not-for-profit organisation, financed primarily by membership dues and receipts from the profit-producing activities of firms founded by the CCI itself.

The CCI will be governed by a board whose members will receive no remuneration, with one-third of the places on the board reserved for representatives of the country's regions.

The Russian CCI intends to submit a proposal to the republic's representative bodies that an enactment be adopted that would regulate the activities of chambers of commerce and industry.

The main objectives of the republic's CCI, as seen by Mr. Smirnov, are entrepreneural training in the skills and knowledge essential in a market economy, and contributing towards making Russia a full member of the world economic community. He thinks that the latter aim will only be achieved when individual businesses irrespective of their form of ownership establish active contracts with world markets.

High on the CCI's agenda will be forging direct ties with similar institutions in other countries, multilateral financial organisations and private businesses.

This is all the more urgent, Mr. Smirnov says, because it is curently becoming increasingly difficult to obtain credits under intergovernmental agreements. The chamber is hoping to assist entrepreneurs in obtaining small- and medium-scale credits tied to specific investment projects.

Excerpts from the CCI's Articles of Organisation

The CCI of the RSFSR is an independent nongovernmental organisation.

The CCI shall represent the interests of entrepreneurs in their relationships with the state and its agencies, and with worker organisations.

The CCI is a legal entity, and therefore may hold its own assets which it owns as property, and may in its own name acquire property rights and personal non-property rights, assume obligations, and sue and be sued in court, industrial disputes court and court of arbitration.

The CCI's liability for its obligations shall be limited to its assets.

The CCI shall provide assistance to and represent and safeguard the interests of its members both domestically and internationally.

The CCI shall:

—promote production of competitive goods through attraction of foreign technologies, know-how and investments, and establishment of stock companies, joint ventures and other organisations;

—organise the training of specialists in modern entrepreneural skills, including in-service training abroad;

—maintain the Register of the CCI of the RSFSR;

—promote production, scientific and technological cooperation of the republic's entrepreneurs with foreign organisations, enterprises and firms, as well as the setting up of joint ventures and development of other forms of enterpreneurship;

—extend invitations to and organise visits of foreign trade and economic delegations and individual representatives of foreign business communities and non-governmental organisations, and hold business workshops and conferences to discuss external economic activities;

—collect, analyse and disseminate in the form of reference and other mterials the information on the republic's economy and external economic activities, and the activities of chambers of trade, and business associations and unions;

—stage international shows, assist foreign countries in holding specialised, trade-and-industry and general interest exhibitions, and promote the staging of exhibitions by individual foreign companies;

—provide assistance to the offices of foreign firms, banks and organisations on the territory of the Russian Federation, offering them the full range of services necessary for their commercial activities;

—organise advertising campaigns for physical and artificial persons, including foreign ones;

—issue patents for inventions and production prototypes, and register trademarks, service marks, proprietary names and names of places of origin both for the republic's physical and artificial persons on its territory and abroad, and for foreign physical and artificial persons on the republic's territory;

—attest the onset of force majeure in conformity with the terms of foreign trade contracts and international agreements.

Russian Bourgeois Democratic Party Registers

LD0711235591 Moscow Russian Television Network in Russian 1800 GMT 6 Nov 91

[Report by N. Pavlov from the "Vesti" newscast]

[Summary] The Russian Bourgeois Democratic Party [Rossiyskaya Burzhuazno Demokraticheskaya Partiya], an organization intended to express and defend the interests of entrepreneurs, was registered in Moscow today. The main tasks of the party are to defend the interests of small and medium property owners. The party has about 2,000 members, and according to party Chairman Ye. Butov, over 50 percent of them have pursued higher education.

Khasbulatov on Powers of Supreme Soviet

LD0511223791

[Editorial Report] Moscow Russian Television Network in Russian at 1700 GMT on 5 November carried a program entitled "Russian Parliamentary Herald" presented by Russian Soviet Federated Socialist Republic [RSFSR] People's Deputy C.A. Nosovets. Nosovets interviewed Ruslan Khasbulatov, chairman of the RSFSR Supreme Soviet, on the work of the RSFSR Supreme Soviet under the conditions of radical economic reform.

Answering a question as to what the RSFSR Supreme Soviet should focus its attention on now, Khasbulatov said that the Fifth Congress of RSFSR People's Deputies adopted Yeltsin's proposals and now all sound forces should be concentrated on performing profound transformations in the sphere of the economy. Relevant agreements, drafts, and decisions were adopted. "The first decision deals with bodies of power and administration during the one-year transitional period; it accounts for some extension of the rights of the president and executive structures with regard to forming executive bodies. The second decision was on the legal foundations for ensuring the economic reform. The content basis and the legal basis have been laid for the activities of the president, and he was given real opportunities to carry out economic reforms without interference. Thus, these are the positions from which we will be assessing our work in the Supreme Soviet."

Regarding a need for a strong Supreme Soviet now, Khasbulatov pointed out that they are living through an extremely crucial period in the history of the state. "An idea came to the fore that a very strong and powerful Supreme Soviet is needed which would carry out legislative processes and supervisory functions in the spheres allocated to it by law." This will also include Russia's Central Bank—"a direct instrument of the economic power which is subordinate to the Supreme Soviet alone." "It is natural that we must carry out many changes in the banking sphere through the Central State Bank." The Constitutional Court had been formed at the Congress and it "will supervise the activities of both the Supreme Soviet and the executive power."

Khasbulatov pointed out that the Procuracy and the Supreme Court are independent, but "in the spheres guaranteed by law they are cooperating with legislative power and not with executive power."

The RSFSR Supreme Soviet chairman went on to point out that "the Supreme Soviet will reject decrees which run contrary to laws and cause doubts," and it is the right of the Supreme Soviet to make amendments when necessary. "The Supreme Soviet is not there to automatically approve decrees which are being submitted."

Capitalizing on the work of the congress, Khasbulatov said that "the congress was marked by unity. The appeal to the people and to the congress and the speech by Boris Nikolayevich were warmly welcomed by deputies. The elections of the chairman and the deputy chairman also passed calmly and in a businesslike atmosphere. The elections of judges of the Constitutional Court—you saw we solved this most complex problem very successfully. We solved the task of rotation successfully as well." He pointed out that the spirit of unity which was created at the Congress and the potential of the entire deputies' corps will be used to assist the RSFSR president and the Supreme Soviet in their work.

KGB Chairman Ivanenko Grants Interview

PM0711135191 Moscow PRAVDA in Russian 6 Nov 91 p 6

[Interview with Russian KGB Chairman V. Ivanenko conducted by special correspondent V. Andreyev under the "Top Secret" rubric; place and date not given: "Intelligence Agent. Have a Sense of Proportion"—first paragraph is editorial introduction]

[Text] Russian KGB Chairman V. Ivanenko is plain in his dress and in his dealings with journalists, which destroys the customary stereotype of the "man from the organs." He is accessible to subordinates rather than just to people of his own rank. The 44-year-old general's career is typical: Tyumen Industrial Institute; detective officer and then deputy chief of an oblast directorate; the USSR KGB apparatus; and from 6 May this year General Ivanenko has been in charge of the republic committee. Our special correspondent converses with him.

[Andreyev] Viktor Valentinovich, you head the Russian State Security Committee, although the Union structure with this title does not exist. Is your department becoming the successor to the USSR KGB? If not, where does the difference lie?

[Ivanenko] Yes, we are becoming the successor to the former USSR KGB, but only in respect of the structure and facilities (buildings, premises, and equipment). Only in this regard are we its successor. But the difference between us is a fundamental one. The USSR KGB served above all the interests of the CPSU nomenklatura. We will serve the law alone.

[Andreyev] Will you retain the discredited abbreviation KGB in future?

[Ivanenko] We have already submitted a proposal to Russia's legislative organs that a provisional legal basis for the committee's activity be established. And the new title of our organization—the Federal Security Agency (FSA)—is contained in our draft proposal.

[Andreyev] What will be the agency's remit? Will Russia have its own intelligence and counterintelligence services?

[Ivanenko] No matter how unpopular it sounds, no independent state can exist without an intelligence service. It is said that the intelligence service strengthens trust among countries. I agree with that. Information obtained by specific methods confirms or refutes the official version and helps politicians make decisions. So there is no point in assuming the posture of that well-known bird or sneering at the mere mention of the word "intelligence service."

And we do have a counterintelligence service. But there is a kind of overassessment of the threats here. For example, we will not be pursuing every established intelligence officer, as was the case until recent times. If he gathers generally accessible information, he is welcome to do so. But we will stop attempts to penetrate state secrets, particularly if this happens through the suborning of those privy to secrets. We will permit no interference in our internal affairs, no matter where it comes from.

Our third priority area is combatting organized crime, smuggling, and corruption.

Our fourth is combatting terrorism. This kind of crime is on the increase. Russian state security organs carry out work on hundreds of statements each year. And I have no doubt that this sphere must be retained by the state security organs. There is always the danger that some extreme movement will give birth to another terrorist.

[Andreyev] The KGB has always had the function of keeping a watch on dissidents.

[Ivanenko] I hope the combatting of dissent is a thing of the past. What there will be, will be the provision of information to the organs of power and management. We plan to carry out this work in three areas: assisting economic reforms, particularly in the foreign economic sphere, and the situation in transport and the social sphere. The latter question is a delicate one and is redolent of political investigation. But we will act within the law. Let's take ethnic clashes. We must predict and forestall them. But there is a difference between us and the former KGB. We are abandoning the principle of total monitoring of the situation. It is irrational and illegal.

[Andreyev] The question arises here as to whether your department will shrink or whether it needs to be expanded?

[Ivanenko] I favor our devising in the near future specific tasks for each subunit, rather than engaging in pointless "all-encompassingness." And cuts are possible only if it is precisely calculated that so many staffers will deal with a specific case and what percentage are redundant. People tell me a 20-percent cut is needed. But why not 23 percent? Who has done these calculations.?

[Andreyev] In connection with the putsch an investigation of KGB involvement in the coup has been carried out. Do you think that the investigation has completely exposed all participants in the conspiracy?

[Ivanenko] The main ones, yes. But there is no point in seeking those indirectly concerned on the principle of "And where were you on the 19th?" People have become accustomed to a system of absolute obedience over decades, and it is difficult to expect them to change their whole outlook overnight.

[Andreyev] But were there specific instances of active support for the State Committee for the State of Emergency in the Russian committee?

[Ivanenko] There were no active supporters. During the investigation we came to the conclusion that a number of oblast directorate chiefs had adopted an ambiguous position. And nine people were dismissed for this. Another 25 chiefs themselves made out separation requests.

[Andreyev] What must be done to prevent any repetition of the putsch?

[Ivannenko] A precise legal basis regulating the activity of the security organs from top to bottom is needed. And strict monitoring by state, parliament, and the prosecutor's office.

[Andreyev] Do you support V. Bakatin's idea of setting up a public council to monitor the security organs?

[Ivanenko] Completely. But it is essential to prevent it turning into yet another paper commission.

[Andreyev] Recently at a meeting with Soviet journalists Bakatin gave priority to the fight against corruption in the security organs' work. What is your opinion?

[Ivanenko] I regard corruption as merely part of our work. On the whole organized crime is a component of the crime business and corrupt links in the state organs and comprises a widespread network of criminal groups. And their aim here is to gain access to power. The security organs must tackle such organized crime.

[Andreyev] Do such groups exist in our country?

[Ivanenko] Unfortunately, they do, and we have evidence on them. But is very difficult to bring them to trial.

[Andreyev] What's the problem?

[Ivanenko] Primarily the lack of laws. The very concept even of "organized crime" is missing from the law. Moreover, we suffer from a weak position in respect of evidence: Everything is built upon the testimony of witnesses and the documents of inspections and checks. I think that material obtained by technical means has to be recognized in court. But the problem of combatting crime cannot be resolved by repressive means alone. A normal economy has to be constructed.

[Andreyev] Let us return to the political sphere. Some people are saying that with the suspension of CPSU activity the security organs could be oriented toward seeking out new dissidents, only now bearing the description "communist."

[Ivanenko] I repeat, the law is essential. It alone can safeguard society from the mistakes of the past. I will say unambiguously that we have received no such order from the Russian leadership. The sole demand is that we do not fail to spot preparation for a new putsch. But these, you will agree, are two big differences, as they say in Odessa.

[Andreyev] Is the departyization that has been carried out the last in the history of the organs, and are they not threatened by a "democratic partyization"?

[Ivanenko] You mean the appointment of representatives of Democratic Russia to leading posts in the KGB and the militia?

[Andreyev] Yes. Many people do not understand how a Democratic Russia official is better than a CPSU apparatchik?

[Ivanenko] You know the law of mechanics: If you tilt a pendulum to one extreme it will inevitably swing to the other. But I would not draw generalizations from individual instances. I think that professionalism rather than party affiliation should be the determining factor.

[Andreyev] Previously the KGB was recruited on an ideological principle, and people were attracted by the high salary, but now?...

[Ivanenko] A sore question. Last year 500 officers left the Russian security organs. The figure will clearly be no smaller this year. And it is not the worst who are going. We have studied the reasons for people leaving. The prime reason is not social questions, but the lack of conditions for self-fulfillment. And we now have added to this uncertainty, indiscriminate criticism of everyone, plus the lack of legal and social protection.

[Andreyev] Do you have any time left for your family, for recreation?

[Ivanenko] Very little. I became a grandfather two months ago, but I have simply been unable to get to Tyumen, where my eldest daughter (I have three) lives. Four of us live in a three-room apartment. I try to play volleyball two or three times a week before work, and I play chess with my youngest daughter (she is 10).

[Andreyev] Do you enjoy any privileges?

[Ivanenko] If an official car is a privilege, then yes I do. I have already mentioned my 44-square-meter apartment. I do not have a bodyguard. I am able to look after myself on the street.

Local Affairs

Chechen 'Chief of Staff' Interviewed

PM0711213191 Moscow KRASNAYA ZVEZDA in Russian 6 Nov 91 First Edition p 2

[Interview with Ilies Arsanukayev, chief of staff of the All-National Chechen Congress Executive Committee Defense Committee, by special correspondent Major A. Petrov; place and date not given; "Checheno-Ingushetia. We have 62,000 Fighters in Our Ranks"—first three paragraphs are editorial introduction]

[Text] It appears that the attention of the mass media will be fixed on Checheno-Ingushetia for a while. Alas, the events taking place there do not provide any reason for optimism. The elections for Chechen Republic president and parliament which the All-National Chechen Congress [ANCC] Executive Committee set for 27 October of this year and which the Russian Supreme Soviet declared invalid, have taken place nevertheless. As expected, Dzhakhar Dudayev became president of Chechnya. The armed formations of the ANCC Executive Committee—the Defense Committee exists to lead these—which the Russian president instructed to give up their weapons in three days and return to their homes, have not disbanded and have not given up their weapons.

In this situation the units and subunits of the Soviet Army and the USSR MVD [Ministry of Internal Affairs] on Chechen-Ingush territory are remaining neutral and are

trying not to notice the forceful pressure that is virtually being exerted vis-a-vis the military—at the moment only on the part of the ANCC Executive Committee.

Our special correspondent met with Iles Arsanukayev, chief of staff of the Executive Committee Defense Committee.

[Petrov] I know that the executive committee has banned the movement of military convoys. What are the reasons for this?

[Arsanukayev] Just the interests of the citizens' peace of mind and the servicemen's safety. As soon as armored personnel carriers or vehicles full of soldiers appear in the streets, panic arises and rumors fly at lightning speed. Following the August events in Moscow, we agreed with the command of the units that there would be no movement without the knowledge of the Defense Committee!

[Petrov] As far as I am aware, the military is meeting this condition unreservedly. Is the republic guard really so strong that it is in a position to dictate its conditions to the Army and the Internal Troops?

[Arsanukayev] The Chechen Republic Armed Forces are not just a republic guard but also a home guard. We have our own special-purpose forces. People who have performed service in the airborne troops, the marines, and special subunits of the internal and border troops are chosen to join it. The standard of training is such that we could even give the "leathernecks"—the U.S. Marines—a head start.

There are the subunits to combat tanks and armored vehicles and the assault detachments formed on the model of the airborne troops assault subunits.

It is no secret to anyone that we are making full use of the experience of the Soviet Armed Forces.

After the mobilization declared by the ANCC Executive Committee in response to the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet Presidium resolution—which was assessed as interference in the internal affairs of the republic—we had a total of 62,000 fighters in our ranks.

[Petrov] The population's reaction to the mobilization declared by the executive committee is by no means clear-cut as far as I am aware. Let me just cite a letter from Satsiat Musayeva, published in GOLOS CHECHENO-INGUSHETII [VOICE OF CHECHENO-INGHUSHETIA]. This is what she writes: "I am an old woman; I have a grandson. I have been bringing up Zelimkhan for five years now—his mother is dead. A few days ago I heard that the mobilization of men between the ages of 15 and 55 has been announced. Where are they taking our children? Why are they arming them? To send them off to be slaughtered? I do not understand whom they are going to kill or fight against. Did General Dudayev think about this?" The mobilization also evoked alarm and indignation in Shelkovskiy Rayon.

[Arsanukayev] But this was an emergency measure. Whether we want to or not, we will need reserves in the impending war—if it comes to a war—for the freedom and independence of our motherland, particularly since we do not intend to throw them into combat until they have been through the necessary training under the leadership of experienced instructors. We do not intend to make cannon fodder of our young men.

[Petrov] How did you resolve the question of weapons?

[Arsanukayev] By buying everything we came across, wherever we could and at any price.

[Petrov] How do you intend to resolve the question of training command cadres for your armed forces?

[Arsanukayev] At the moment we are using noncommissioned officers and officers of the reserve in command positions. Those who came home in response to the call "The Fatherland in danger!" In the future, however, we will train our officer cadres in Russian military schools.

[Petrov] Did I hear right?

[Arsanukayev] Yes, in Russia. We do not intend to break either economic or military ties with it. We understand perfectly well that if we remain alone, without its support, we will become a tempting morsel for many powerful states. We are prepared to sign a treaty on joint defense against external enemies. I think that, given time, Russia will have some of the latter, but we have one condition—noninterference in our internal affairs and respect for our sovereignty. Believe me, we will be far more useful to Russia if we are free. [Arsanukayev ends]

Meanwhile

The Interim Supreme Council of the Chechen-Ingush Republic is continuing to form people's home guard detachments. In Groznyy alone there are already around 500 people in its ranks. These paramilitary formations will come under the authority of the Chechen-Ingush minister of internal affairs. At present the acting minister of internal affairs is General Vakha Ibragimov. He has been instructed to take all the necessary measure to ensure order on the republic's territory during the preparation for and holding "contested" elections to the Chechen-Ingush Republic Supreme Soviet scheduled for 17 November.

Where will the confrontation of the armed formations end? This cannot fail to provoke unease.

Checheno-Ingushetia Developments Viewed

PM0711121991 Moscow IZVESTIYA in Russian 6 Nov 91 Union Edition p 2

[Ali Kazikhanov report: "Dudayev's First Decrees"]

[Text] Groznyy—Chechen President D. Dudayev has issued his first two decrees.

One decree is on state sovereignty, and the other declares the Chechen and Russian languages to be the new sovereign formation's state languages.

At a meeting with the Chechen-Ingush Republic Government and leaders of enterprises, social organizations and soviet organs, the Provisional Supreme Council of Checheno-Ingushetia agreed to postpone the elections from 17 November to December.

The council sent people's deputies to all rayons for contacts with the legitimate power structures. The first session of the Central Electoral Commission for the election of Chechen-Ingush Republic people's deputies has been held. As its Chairman Kh. Gerzeliyev said, the coming elections should mark the start of the restoration of constitutional order in the republic.

Rallies by supporters of the All-National Chechen Congress Executive Committee and the opposition continue—positions are hardening on both sides. Republic television has resumed broadcasts. A group of armed men tried to break into the building but were beaten off by the militiamen on duty. One of the attackers was wounded. The All-National Chechen Congress Executive Committee denies any participation in the attack by the "national guards."

Ingush People Demand Return of Land

LD0711213391 Moscow Radio Rossii Network in Russian 1800 GMT 6 Nov 91

[Text] If the Russian leadership is not solving the problem of returning to Ingush the land which belongs there, which is now part of South Ossetia, then the Ingush people will solve the problem themselves, said (Diugin Imagozhev), member of the executive committee of deputies at all levels in Chechen-Ingush to a correspondent from RIA. He believes that the Chechen-Ingush problem will not be solved militarily.

The conflict should be tackled by way of talks and a referendum, not by an ultimatum and threats as the leaders of the Ingush people do, said (Mayerbek Tsikhiyev), deputy of the North Ossetian parliament. At the same time, he noted that the Chechen-Ingush situation has been aggravated to an extent that it is not clear with whom one should hold talks and who has the power to speak and sign documents on behalf of the Ingush people.

Chechen Parliament To Nationalize Property

LD0711214791 Moscow All-Union Radio Mayak Network in Russian 0800 GMT 7 Nov 91

[Text] The parliament of the Chechen-Ingush Republic has adopted a decision on nationalizing property in the republic. According to this decision, works, factories, departments, and associations under Russian and Union jurisdiction are to be nationalized.

Arms Shipments to Karachayevo-Cherkessia Denied

PM0711161091 Moscow PRAVDA in Russian 6 Nov 91 p 2

[Correspondent V. Pankratov "Rejoinder": "Brandishing Lies"]

[Text] Stavropol City—Cossacks in the Karachayevo-Cherkess SSR [Soviet Socialist Republic] learned some sensational news. Apparently, a train was heading their way with 36 cars packed with gear and demolition charges, rifles, revolvers, and machine guns plus a full consignment of ammunition, but the train did not reach its destination: It was stopped by KGB organs of the Karachayevo-Cherkess SSR. This "became known" to the weekly NOVOCHERKASSKIYE VEDOMOSTI, which is published in Rostov Oblast. It published this fact noting that the report had been received "from an unofficial but informed source." The item under the intriguing headline "Sabers drawn!" appeared in the issue for 5-11 October.

One's attention is drawn to the prospects of the Cossack movement: It could fizzle out unless it receives support from the government and ordinary people and if it shirks the struggle to revive its lost traditions.

It turns out that these panic fears were simply farfetched. V. Kolesnikov, department chief at the Karachayevo-Cherkass SSR KGB, has refuted this to the Novocherkasskiy Soviet of People's Deputies—the founder of the paper—as well as to its editor: No weapons or gear have ever been confiscated.

Who needed this newspaper canard and why?

The question, I think, deserves the most thorough and partial [as published] investigation. The author refuting this stressed quite accurately: "Those of us living in Karachayevo-Cherkassia are saddened by how easily and thoughtlessly information is published that could aggravate an already difficult situation in our multinational republic." He demanded that the letter refuting this allegation be published.

Moscow Mayor on Housing Privatization

LD0711204291 Moscow TASS International Service in Russian 1420 GMT 6 Nov 91

[By TASS correspondent Aleksandr Skobelev]

[Text] Moscow, 6 Nov (TASS)—Transferring ownership of apartments to the Muscovites will be carried out free of charge, stated the capital's mayor, Gavriil Popov, at a news conference today.

In Popov's words, the costly privatization of housing could deprive owners of all their money, which is completely unacceptable on the eve of the liberalization of prices. "Social justice will be restored" through high taxation of surplus square meters to be introduced later when the new prices have stabilized.

In all probability, it is simply not advantageous under the present galloping inflation for the mayor's office to sell apartments for rubles, which will, in a few months according to Popov, decrease in value by one-half. Therefore, the mayor's office is counting on gaining a profit from privatization later when the ruble is more stable. The mayor was unable to say anything about the specific size of taxes, citing the fact that work on the relevant documents has not yet been completed.

In addition, Gavriil Popov announced that vouchers for five types of food—meat, bread, sausages, eggs, and butter—will be introduced in Moscow from 1 December. Precise distribution quotas have so far not been established, but it is known that in addition to foodstuffs sold for vouchers, commercial equivalents will also be sold, for which special sections will be opened in large supermarkets, shops, and foodstores.

A program is being prepared to compensate poor Muscovites for the consequences of food price liberalization.

According to the mayor, there are two possible options, including a cash payment at the commercial rate in exchange for vouchers handed in. In short, for one vodka voucher you could receive 60 rubles.

The mayor also announced that in the very near future the privatization of non-residential buildings and state enterprises, including food shops and taxis, will be forced through.

Moscow Rayon Leaders on Power of Soviets

PM0711123591 Moscow PRAVDA in Russian 31 Oct 91 p 2

[Interview with Moscow Rayon Soviet Chairmen S. Pykhtin of Cheremushkinskiy Rayon Soviet and Yu. Kachanov of Oktyabrskiy Rayon Soviet by unidentified correspondents; place and date not given: "And This Is Democracy?"]

[Text] The Moscow government decided that rayon soviet ispolkoms [executive committees] should cease their activities on 28 October. Power has been transferred to prefects and subprefects. Now they have ordered the seizure of soviets' buildings. Is the intention to destroy them or what? A PRAVDA correspondent asked the question to rayon soviet chairmen in the capital.

S. Pykhtin, chairman of Cheremushkinskiy Rayon Soviet:

"City Hall's decision to eliminate ispolkoms is totally illegal; it has no juridical force and should not be implemented. We have protested to the court against this illegal act.

"Indeed, a local administration must be established in the rayons, but it should be done by constitutional methods, not for revolutionary purposes, which is what city hall is doing. The mistakes of 1917 must not be repeated!

"Now for the soviets. We have never had soviets in the country, in fact. It was the screen behind which the real power structures lay.

"Then, 18 months ago, the new soviets appeared and they were genuine, democratic organs of representative power. Soon it transpired that they were a general hindrance, a hindrance to officials, to mafia structures, to politicians.

"All the problems used to be blamed on the CPSU and the center. Now they have effectively vanished, but an enemy is required, and the soviets, allegedly a communist stronghold, fitted the bill. The same provocative thesis is being employed in the attack on the new soviets. It is being drummed into people's minds by the monopolized press: This is the bastion on which the attempted reforms are foundering, apparently."

[PRAVDA] When the Democrats were marching into power they said: "All power to the soviets!" Have they now changed their tune to "Down with the soviets!"?

[Pykhtin] Was it not Gavriil Kharitonovich Popov himself who kept on about the need for a separation of powers?! As soon as he became mayor he started doing his best to destroy representative power because it prevents it from being monopolized and it means that you cannot do whatever you like with city property.

So it began. First of all city hall froze all rayon soviets' accounts, and rayon funds are now managed by the city executive authority. Last week saw the start of the seizure of soviets' premises with the help of the militia and "Aleks" militarized formations. Physical violence is being used against soviet staff.

[PRAVDA] Who gives the command to storm soviet buildings?

[Pykhtin] The mayor, deputy mayor, and prefects.

[PRAVDA] How was the seizure of Cheremushkinskiy Rayon Soviet carried out?

[Pykhtin] People appeared wearing bulletproof vests and helmets and carrying standard weapons and sticks. They started breaking down doors and taking over offices. It is a coup, a rayon-level SCSE [State Committee for the State of Emergency]!

There have been casualties. A rayon soviet deputy chairman and a deputy were injured.

Yu. Kachanov, chairman of Oktyabrskiy Rayon Soviet:

"On 24 October the Central Prefecture sent us a decree ordering the transfer of the premises to the culture administration. The building was then seized and deputies were hurt in the process. One of them suffered a concussion. Property was seized.

"This action on behalf of the government is excessive. If the executive authorities use the same modus operandi we will have a dictatorship.

"All rayon soviets have been ordered to move out. In Proletarskiy Rayon, for example, thugs toting iron bars occupied the chairman's office and did not even allow him to get to the telephone.

"The seizure of soviet buildings in Moscow continues."

Refugees Continue To Flow to North Ossetia

LD0711182291 Moscow Radio Moscow World Service in English 1700 GMT 6 Nov 91

[Text] In South Ossetia in the Caucasus, tension has continued. Georgian militants have been attacking the city of Tskhinvali and villages around it with fire around the clock. The population of South Ossetia, situated inside Georgia, are being driven from their homes. The economic blockade has increased the risk of famine.

The flow of refugees to North Ossetia, which is part of the Russian Federation, is on the rise. The latest reports say that North Ossetia has already received about 35,000 refugees.

Further on Refugees in North

LD0711233391 Moscow TASS International Service in Russian 1355 GMT 7 Nov 91

[By TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 7 Nov (TASS)—According to unofficial information, there are now some 100,000 refugees from South Ossetia in Vladikavkaz and rayon centers in North Ossetia. This figure was adduced in a reply by Akhsarbek Galazov, chairman of the Supreme Soviet of the North Ossetian Soviet Socialist Republic [SSR], to the Supreme Soviet of the Republic of Georgia, the text of which was published today in local papers.

On the previous day, Georgian President Zviad Gamsakhurdia sent the North Ossetian parliament a letter protesting the examination by the North Ossetian Supreme Soviet of "an appeal from the self-styled executive committee of the so-called South Ossetia concerning the entering the former South Ossetian autonomous oblast territory into North Ossetia." In the letter, the Georgian president called this "an attempt to encroach on the territorial integrity of the Republic of Georgia."

The North Ossetian reply says that the Supreme Soviet Presidium of North Ossetia "firmly rejects your protest since the accusations against the republic's Supreme Soviet of violating the Constitution of the RSFSR [Russian Soviet Federated Socialist Republic] and North Ossetia, and of aggression against the Republic of Georgia are groundless. By adopting, on 11 December 1990, the unlawful decision abolishing the South Ossetian autonomous oblast, the Supreme Soviet of the Republic of Georgia embarked on the course of resolving the 'Ossetian problem' by armed force. Numerous appeals to the Supreme Soviet and to the president of Georgia for a peaceful settlement of the conflict have produced no positive results. In these circumstances, the Supreme Soviet of the North Ossetian SSR is obliged to undertake measures to facilitate the prevention of the physical extermination of Ossetians in Georgia."

Socialists 'Rally' in North Ossetia on 7 Nov

OW0811075891 Moscow INTERFAX in English 1415 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] Although there was no "traditional" Revolution Day civil march in the North Ossetian capital Vladikavkaz today, activists of the Movement for Socialism laid flowers at the monument to Lenin in the central square, and staged a pro-socialism rally unsanctioned by the municipal authorities. The opening speech was made by Akhsarbek Galazov, chairman of the North Ossetian Supreme Soviet, whose appearance represented a formal violation of the state of emergency imposed on Vladikavkaz and the surrounding district over six months ago. Deputy-chief of the city police, Lieutenant-Colonel Alagov, observed that the rally, while technically illegal, did not violate public order, and that most of the speeches made were consonant with his personal opinions.

Speakers blamed the country's present difficulties on the governments of the Russian Federation and the USSR.

South African Foreign Minister Meets Sobchak

LD0711123691 Moscow TASS International Service in Russian 1901 GMT 6 Nov 91

[By TASS correspondent Nikolay Kondratenko]

[Text] St. Petersburg, 6 Nov (TASS)—Today St. Petersburg Mayor Anatoliy Sobchak received Roelof Botha, foreign minister of the Republic of South Africa who has come to the Soviet Union on an unofficial private visit.

Welcoming the guest, he said that the meeting with the head of South Africa's foreign policy department has immense interest because in the Soviet Union we have always had a very modest amount of information about that country, and it has always dealt with very specific matters. We are sure, Sobchak commented, that our countries can and must have the most varied ties. The St. Petersburg mayor's office is prepared to continue contacts in the most diverse areas, including the field of establishing joint enterprises or banks, and to examine possible projects for the involvement of South African firms in bilateral business cooperation.

The minister described his stay in St. Petersburg as "a particularly outstanding and marvellous moment" since it is a city of a high intellectual standard, he believes. "The time has now come to establish more direct and

effective relations between us. Without them, we cannot move toward progress. I hope to discuss in Moscow interesting matters connected with our cooperation," Botha said.

Matters concerning this country's economic, social, and political development at the present stage, in relation to the proclamation of sovereignty by former union republics, were touched on during the conversation.

Roelof Botha then met with representatives of the city's business circles and journalists.

Answering a question from your TASS correspondent about the aim of his visit, the minister noted that it is the first time that he has visited the Soviet Union since the beginning of the new era. "We did not understand the old Soviet Union, but now it is playing a completely different role. In your country, Communism is leaving the stage; in ours, apartheid is making its exit. Now we can develop normal relations. I have come to open these doors," Roelof Botha stated.

Tomorrow afternoon, he will arrive in Moscow.

Visits St Petersburg

OW0811054691 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] South Africa's Foreign Minister Roelof Botha arrived in St. Petersburg on Wednesday [6 November] for a private visit. He intends to join the "Long Live St. Petersburg!" festivities.

IF [INTERFAX] has learned that during talks between Roelof Botha and Vladimir Putin, chairman of the foreign trade committee of St. Petersburg's mayoralty, the two sides reached an agreement on beginning direct economic and cultural cooperation between St. Petersburg and South Africa.

British Trade Secretary Visits St Petersburg

LD0711235891 Moscow TASS International Service in Russian 1232 GMT 7 Nov 91

[By TASS correspondent Nikolay Kondratenko]

[Text] St. Petersburg, 7 Nov (TASS)—The city on the Neva and Great Britain intend to develop bilateral economic ties. Mayor Anatoliy Sobchak and Peter Lilley, secretary of state for trade and industry of Great Britain, who is on a visit here, expressed readiness for such cooperation.

"We cannot wait and be uncertain until former Union republics agree among themselves. Therefore, we will start direct contacts with Great Britain and other European partners," the mayor stated when he received the guest in Mariyinskiy Palace last night. "British business circles already participate in implementing the program for defense industry conversion. Our city is open for any type of cooperation. In order to make it more effective, we need to establish a joint Soviet-British commercial bank."

Peter Lilley welcomed the idea of creating a Baltic grain stock exchange intended to assist in increasing agricultural production in the whole northwest region. He also accepted the proposal by Anatoliy Sobchak to develop goods exchange between St. Petersburg and British companies on a barter basis and to accelate elaborating programs for business schools.

During the talks an agreement was reached that experts from Great Britain on the conversion problem and a group of entrepreneurs for organizing a joint farm will arrive in St. Petersburg in the near future.

St Petersburg Residents Celebrate Renaming

OW0811022591 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] On Wednesday [6 November] in St. Petersburg liturgies were performed in all Russian Orthodox churches to celebrate the regaining of its initial name by the city. The services were held at the initiative of the Metropolitan John of St. Petersburg and Ladoga. In St. Isaac's Cathedral the liturgy was performed by Patriarch Aleksey II of Moscow and all Russia. Those present included the heir to the Russian throne, Grand Duke Vladimir Kirillovich.

Patriarch Aleksey II told newsmen on Wednesday that the Moscow Patriarchate "prepared materials required to canonize Metropolitan Veniamin of St. Petersburg and Metropolitan Vladimir of Kiev".

In comments on relations between different religious communities in the country the patriarch said that there are signs of "expansion on the part of the Roman Catholic Church, Protestant fundamentalism and Oriental mysticism, as well as attempts to revive heathenism and create unions of sorcerers".

Sobchak Addresses Rally

OW0811081591 Moscow INTERFAX in English 1630 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] On Thursday, November 7, a rally was held on St. Petersbureg's Palace Square to celebrate the restoration to the city of its historical name. St. Petersburg's Mayor Anatoly Sobchak called on the people of the city to work for the revival of St. Petersburg as "a window on or even a door to Europe."

Addressing the prospects for economic reforms in the region, Mr. Sobchak pointed out the importance of relaxing limits on political and economic ties between St.

Petersburg and foreign countries. The mayor also said that the people of the city "should kneel before the heroes of the city, those who saved it from destruction during the Civil War, the Great Patriotic War and the recent coup attempt."

On the Town Hall's initiative, wreaths were laid on behalf of all St. Petersburgers at Peter I's grave in the Peter and Paul Cathedral, at Piskarevsky Cemetery's Motherland Monument and on Troitskaya Square where a monument in honour of victims of political repression is to be built. Around 20,000 participants in the rally on the Palace Square observed a minute's silence in honour of St. Petersburgers who had fallen victim to totalitarianism.

St Petersburg Conference on Komsomol Rebirth

LD0811093891 Moscow TASS International Service in Russian 1753 GMT 7 Nov 91

[Text] St. Petersburg, 7 Nov (TASS)—The voluntary disbandment of the Komsomol does not mean that the Communist Union of Young People has no supporters left. This has been proved by participants in an all-Union conference "Young People in Favor of the Rebirth of the Komsomol" which opened in St. Petersburg today.

More than 40 delegates from various cities have assembled in the city on the Neva in order to work out the program for a new Russian youth organization which would base its activities on the best traditions of the Komsomol. Those participating in the conference laid wreaths at the monument to Lenin near the Smolnyy and they took part in a meeting near the cruiser "Aurora."

International Affairs

Kozyrev 'Optimistic' on Honecker Issue Solution

LD0611182191 Berlin ADN in German 1648 GMT 6 Nov 91

[Excerpt] Moscow/Berlin/Bonn (ADN)—German and Russian politicians are optimistic that Eric Honecker will be returned to Germany soon. Russian Foreign Minister Andrey Kozyrev assumes that the case will be solved "in the near future." The politician told ADN in Moscow today that the Russian Government sees no reason for further drawing out a solution to this issue. Federal Justice Minister Klaus Kinkel also expressed hope at a news conference in Berlin today, but there are no specific promises yet from Moscow. [passage omitted]

Stankevich Visits Austria, Meets Vranitzky

LD0511023891 Moscow TASS International Service in Russian 1544 GMT 4 Nov 91

[By TASS correspondent Vladimir Smelov]

[Text] Vienna, 4 Nov (TASS)—Cooperation between Austria and Russia was discussed at a meeting today between Federal Chancellor Franz Vranitzky and Sergey Stankevich, Russian Soviet Federated Socialist Republic [RSFSR] state councilor, who is visiting here.

During their frank, amicable conversation, the visitor talked in detail about the changes which the president of the Russian Federation expects to carry out, including measures for stabilizing the financial system and for agrarian reform. The RSFSR state councilor emphasized that in embarking on a period of intensive reforms, Russia advocates direct cooperation with Austria and with other foreign countries.

The head of the Alpine republic's government expressed the opinion that a management structure needs to be created in Rusia. According to the APA agency, he also mentioned the problem of westward migration of citizens of East European states.

Noted at the meeting was the importance of elaborating a framework agreement between Russia and Austria to create legal grounds for developing all forms of effective cooperation. The drafting of this document is proceeding energetically and will be completed in 1992.

S. Stankevich was also received by Heinz Fischer, chairman of the Nationalrat [parliament].

Yeltsin Envoy Meets Swedish Prime Minister

LD0711230291 Moscow TASS in English 2231 GMT 7 Nov 91

[By TASS correspondent Dmitriy Gorokhov]

[Text] Stockholm November 8 TASS—Russian Republic President Boris Yeltsin's envoy Galina Starovoitova on Thursday [7 November] met Swedish Prime Minister Carl Bildt to discuss the plan of economic reforms in Russia.

She told TASS Bildt called for the development of contacts with the Russian leadership and reiterated his invitation to Yeltsin to visit Sweden.

Starovoitova informed Bildt about Russia's position on the protection of Russian minorities in other republics, including in the Baltic states.

Bildt expressed readiness to develop ties with the conservative liberal union that is being created in Russia.

Starovoitova also visited the Institute of the East European Economy and met Swedish journalists.

Economic Conference Held With South Africa

PM0811101191 Moscow ROSSIYSKAYA GAZETA in Russian 7 Nov 91 First Edition p 2

[Report by Sergey Semendyayev: "Meeting in Moscow"]

[Text] An international conference entitled "South Africa After Apartheid: On the Threshold of Economic Cooperation" organized jointly by the "Russia-South Africa" society and the South Africa Foundation, whose members and supporters are sincerely dissatisfied with the policy of apartheid, was held in Moscow last week.

The conference, in which very eminent Russian and South African economists and entrepreneurs took part, became essentially the first step in developing economic and scientific contacts between our countries. The high scientific and business standard of the Moscow conference is borne out if only by the list of those taking part: Among the South African participants are R. Gruber, director of the South Africa Foundation, P. Khaasbruk [name as transliterated], chief economist of the "Barnod Rand" gold mining company, and Z. Kliri [name as transliterated], author of a concept for the economic development of the Republic of South Africa, while among our participants were academician A. Aganbegyan, A. Vladislavlev, vice president of the Science and Industry Union, and M. Bocharov, president of the Butek concern.

Despite the fact that our countries' economic systems are virtually incomparable, the participants in the conference found many topics for an interested joint discussion.

Fifth Congress of People's Deputies

Correction to Resolution on Elections

PM0711143791

The following correction pertains to the item headlined "Resolution Curbs Elections During Reforms" published on page 46 of the RSFSR section of the 6 November Soviet Union DAILY REPORT: page 46, column one, make subslug of first item read: ["Russian Soviet Federated Socialist Republic Congress of People's Deputies Resolution on the Organization of Executive Power During the Period of Radical Economic Reform"] (changing "Supreme Soviet" to "Congress of People's Deputies" per correction published in Moscow ROSSIYSKAYA GAZETA in Russian on 6 November 1991 First Edition on page 2)

Correction to Resolution on President's Powers

WA0711193091

The following correction pertains to the item headlined "Resolution on President's Economic Powers" published on page 46 of the RSFSR section of the 6 November Soviet Union DAILY REPORT: page 46, column two, make subslug of item read: ["Russian Soviet Federated Socialist Republic Congress of People's Deputies Resolution on Legal Support for the Economic Reform"] (changing "Supreme Soviet" to "Congress of People's Deputies" per correction published in Moscow ROSSIYSKAYA GAZETA in Russian on 6 November 1991 First Edition on page 2)

Belorussia

Celebrations Held for Oct Anniversary

LD0711225691 Minsk Radio Minsk Network in Belorussian 1400 GMT 7 Nov 91

[Summary] Approximately 500 people gathered this morning in Gomel under red banners to take part in the manifestation on the occasion of the October Revolution anniversary. The demonstrators marched along Sovetskaya Street from the Uprising Square to Lenin Square. They laid flowers on Lenin's monument, and then a manifestation took place. Its participants called for defense of the ideals of the October and social choice, justice, and equality. [sentence as heard] One can definately say that this time those who hold dearly everything connected with the anniversary gathered here.

In Pinsk though, nothing reminds one of today's anniversary: no slogans, no rallies. The station is the only crowded place. Buses take town dwellers to their countryside allotments and their parents living in villages. There the largest town spinning and knitting association dropped the name of 60th anniversary of the Great October. Now it is called an industrial and trade association [name indistinct].

Border With Poland Closed at Two Checkpoints

OW0811074391 Moscow INTERFAX in English 1630 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] The Executive Committee of Grodno, Belorussia, has decided to suspend as of November 10 the flow of tourists and private business travelers via the overloaded railroad station of Grodno and the checkpoint of Bruzgi. The move is explained by the unsafe sanitary situation and the need to complete the construction of a customs office at Bruzgi.

Exit will be allowed only to foreign businessmen and to people going on emergency trips, e.g. in case of the death of illness of close relatives.

The checkpoint at Brest has been closed since November 1. Car queues at Brest and Grodno used to be 6-8 kilometers long at times, requiring tourists to wait several days to be let through across the border.

Brest Border Closed for Cleanup

PM0711122291 Moscow IZVESTIYA in Russian 6 Nov 91 Union Edition p 2

[By Mikhail Shimanskiy: "Border Closed for Cleaning"]

[Text] Brest—Border crossings on tourist and private visas have been temporarily suspended at the Varshavskiy Most checkpoint in Brest.

This was a joint decision by the Brest City Soviet Presidium and the City Soviet Executive Committee. What prompted the decision? I put that question to I. Ventsel, chairman of the Brest City Soviet.

"We have been forced to temporarily suspend crossings at the Varshavskiy Most checkpoint because of the complex environmental situation in the city. Judge for yourself—there has recently been a major influx of approximately 500 buses and more than 3,000 cars. This has continued for a whole month. The travelers have totally disregarded sanitation regulations and have left a lot of litter behind.

"That is why we have been forced to take this step. A cleanup of the territory adjoining the Varshavskiy Most checkpoint is currently under way."

Moldova

National Bank Restricts Cash Payments

LD0711154591 Moscow All-Union Radio Mayak Network in Russian 1300 GMT 7 Nov 91

[Text] The National Bank of Moldova has adopted strict measures for restricting payments in cash, the KOMMERSANT MOLDOVY newspaper reports. The republic's banks are instructed to reduce as much as possible payments in cash for all purposes, except payments of wages, compensations and pensions, and the purchase of agricultural produce.

Until the end of 1991 advance payments of bonuses on the results of work in the current year and also one-time long service bonuses have been banned. Payment in cash is not allowed for settling accounts for nonfood items and materials being acquired by enterprises and organizations under all kinds of ownership from individuals. Payments in cash for urgent needs can be made in exceptional cases and should not amount to more than 1,000 rubles a month.

President Condemns People's Front Campaign

AU0711152291 Bucharest ROMPRES in English 1407 GMT 7 Nov 91

[Text] Bucharest, ROMPRES, 7/11/1991—Moldova's President Mircea Ion Snegur met, Wednesday, 6 November, with a group of managers of economic units from various branches, upon their initiative. They described the problems their units are facing and expressed their apprehension at the socio-political situation of the republic in connection with the actions of the opposition on the eve of the presidential election, writes MOLDOVA PRES. As major stumble-blocks in their activities they pointed at the growing difficulty of securing raw materials, equipment, heat and energy supplies as a consequence of obsolescent traditional economic relations giving way to infiltrating mafia structures.

In his address, President Snegur criticized the shameless campaign of the revanchist vanguard of the People's Front of Moldova (FPM) which seems to find very convenient the motto "the worse it is the better it is". He stressed that the geopolitical state of facts, the republic's present situation and future development make it imperative for the president to have the mandate of the whole people.

"Now I am more determined and surer than ever, I am ready for revolutionary changes, but I wish them less painful for the people than those suggested by Yeltsin", wound up President Snegur.

President Intends 'Radical Economic Reforms'

OW0811054591 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] The call for boycotting presidential elections in Moldova is nothing but intrigues on the part of the revanchist vanguard of Moldova's Popular Front, said Moldova's President Mircea Snegur on Wednesday [6 November]. According to him, the motto of the front's supporters is: "The worse the situation grows, the better." "The state of affairs in Moldova makes it necessary to endow the president with popular mandate", said Mircea Snegur.

He said he is prepared to carry out radical economic reforms. However these reforms will be less stringent than those planned by Boris Yeltsin, he said.

Deputies Protest Against Presidium's Actions

LD0711234491 Moscow All-Union Radio First Program Radio-1 Network in Russian 2000 GMT 7 Nov 91

[Text] More than 100 Moldovan people's deputies have protested today to Aleksandr Moshanu, chairman of the republican parliament, over the gross violation of the Moldovan Constitution by the presidium of the parliament. It has rejected a lawful demand put forward by more than a third of the people's deputies for the creation of an extraordinary commission within nine days in accordance with the temporary rules governing the work of the parliament. The deputies are demanding the convening of a session in order to discuss the issue of holding a referendum on the independence of Moldova in connection with a proposal put forward by the right wing of the republican People's Front on Moldova joining Romania. The parliamentarians have assessed this violation of their constitutional rights as another attempt by the presidium to usurp the functions of the supreme body of state power.

Dniester Republic Proclaims New Name

OW0711183791 Moscow INTERFAX in English 1415 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] The Supreme Soviet of the Dniester Moldavian Soviet Socialist Republic has renamed the latter the Dniester Moldavian Republic. Observing changes taking place elsewhere in the Soviet Union, the Dniester authorities are now determined to review their own attitude toward the "socialist choice."

The Dniester Republic was first proclaimed on the left bank of the Dniester on September 2, 1989 following Moldova's announcement of its intention to secede from the Soviet Union. Two local referendum have shown that most of the 600,000 Ukrainians and Russians resident in the Dniester region are in favor of signing the new Union Treaty and want secession from Moldova.

Republic To Form Joint Bank With Romania

LD0611131591 Moscow Radio Rossii Network in Russian 1400 GMT 5 Nov 91

[Text] An accord has been reached between Moldova and Romania on the establishment of a joint Romanian-Moldovan bank and coordinated operations by the governments of the two republics in the fields of financial, tax, and customs policy. Moldovan Prime Minister Valeriy Muravschiy stated this in an interview with journalists in Romania during a working visit to that country. We are satisfied with the progreess of integrating the economies of Romania and Moldova, Muravschiy declared.

Kharkov Bread Stores Hit by Shortages

PM0811085391 Moscow Central Television First Program Network in Russian 2153 GMT 6 Nov 91

["Television News Service" newscast report by V. Pidchenko and A. Dovgal from Kharkov]

[Text] [Pidchenko] During the last few days the inhabitants of Kharkov have been in a state of panic, literally. Sales of bread have suddenly plummeted. People are having to wait in line for hours for a loaf of bread. Meanwhile all the city's bakeries are working non-stop around the clock. They are fully supplied with flour, and reserve capacities have even been brought into operation. [turning to official] What is the problem, then? People are saying that not since the Great Patriotic War have there been such waiting lines for bread in Kharkov.

[S.N. Saakyan, general director of the bread-baking industry] The problem is that there is a chronic shortage of trucks, motor fuel, and lubricants. Traditionally, all these goods were delivered from Russia. Horizontal ties have been disrupted and this is negatively affecting the inhabitants of both the Ukraine and Russia. It seems that our strength is in unity.

Presidential Candidate Withdraws From Race

OW0811054891 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] George Malarchuk, leader of Moldova's environmental protection movement, decided to withdraw from the presidential race. The authorities, he explained, are hindering the endeavours of his supporters in the collection of signatures required for nomination.

Ukraine

Reportage on Oct Revolution Celebrations

Kiev Marks Anniversary

LD0711173691

[Editorial Report] Moscow All-Union Radio Mayak Network in Russian at 1408 GMT on 7 November carries a four-minute recorded report on the Great October Socialist Revolution (GOSR) festivities in the Ukraine, telephoned to the Mayak studios by correspondent Vladimir Sokolov.

The report begins with a description of the 7 November events in Kiev. The correspondent notes the brisk trade in flowers, pointing out that the largest amounts of flowers were deposited at the Lenin Monument, where the city's main thoroughfare, Khreshchatik, joins Shevchenko Boulevard. Sokolov says that all those who still support "socialist choice" converged there at the call of the reformed Socialist Party of the Ukraine. At the start about 2,000 people assembled at the monument, Sokolov says, but then groups from various parts of the city and columns of people began to arrive.

The gathering did not pass without incident, Sokolov says. A column mainly composed of workers and veterans from the "Arsenal" factory, marching under red flags, was moving from the Monument of Glory to the Lenin Monument. In the middle of Khreshchatik the column was attacked by a group of youths who tried to disperse the column, grabbing flags and posters and trying to snatch flowers. Commenting on this, Sokolov says: "At the moment this is democratic pluralism in the Ukraine. Here and there it has become unsafe to mark the holiday today, if somebody wants to." Sokolov adds: "Incidentally, order was maintained at the Lenin Monument by imposing forces of the militia."

A demonstration by the Rukh group came to the Lenin monument, Sokolov continues, and a crowd of many thousands of pro- and anti-GOSR demonstrators formed, only to fragment quickly into groups of fierce debators that in turn dispersed without incident. The militia then took on the task of guarding "the masses of flowers and wreaths next to the monument."

Sokolov describes events oganized by other groups in Kiev and then focuses on the rest of the republic, where the day passed in various ways: Meetings and laying of flowers at monuments to the revolution took place in Dnepropetrovsk and Lugansk "following the wishes of the majority of inhabitants." Similar events took place in most settlements in the Crimea, Sokolov says, "organized, as a rule, by veterans." But, he notes, in a number of places there were also meetings of mourning involving "those who see in the October revolution the start of misfortune and human sacrifice."

Sokolov ends by noting that in Lvov it was work as usual, although on 6 November there were festive meetings in Lvov and a number of towns in the oblast.

Not Celebrated in 'Most Parts'

OW0811045491 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] In most parts of the Ukraine, the November 7th anniversary of the Socialist Revolution will not be celebrated.

Despite the fact that the Ukrainian parliament did not change the holidays officially, in practice they simply will not be noticed.

Government powers in the Ivano-Frankovsky and Ternopolsky regions have changed their decision that November 7th be a holiday. According to their official statement, whoever celebrates this day "is sanctioning the genocide against the Ukrainian people."

In other regions November 7th will simply be a day of no work.

In Odessa the regional Council of Peoples' Deputies decided to place flowers at the monument of the "leader of the revolution, V.I.Lenin." The Ukrainian Republican Democrats, the Christian Democrats and some other parties have stated that the Odessa council "is slowing the demise of the Communists."

In the Crimea the parliament of the autonomous republic officially sanctioned traditional parades and demonstrations. Alternative demonstrations are also being planned.

Military Division Expresses Allegiance

OW0711141091 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] The first complete military division in the Ukraine has stated that it is prepared to serve the republic. Soldiers and officers of a regiment connected to the Prikarpatskiy military region sent a telegram to the Ukrainian parliament in which they stated that they "are

prepared to serve under the state flag of the Ukraine and swear allegiance to the independent state."

Head of National Security Service Named

OW0711144991 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] The Ukrainian Supreme Soviet named Evgeniy Marchuk the head of the Ukrainian National Security Service, the former KGB. Until this appointment, Marchuk was the state minister on questions of defense and security. In the deputies' opinion, this appointment signals the end of the center's monopoly on state security on the republic's territory.

South Africa's Foreign Minister Visits Kiev

OW0811054991 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] South Africa's Foreign Minister Roelof Botha paid a working visit to Kiev. It was the first trip to the Ukraine by a leader of South Africa's diplomacy. During his talks on Wednesday [6 November] at the Ukrainian Foreign Ministry and Ministry for External Economic Relations the two sies declared that they welcome the establishment of ties between the two countries and that they will promote these ties.

Comments on Visit

LD0711122791 Moscow TASS International Service in Russian 1748 GMT 6 Nov 91

[By UKRINFORM-TASS correspondent Sergey Bibik]

[Text] Kiev, 6 Nov (TASS)—South African Foreign Minister Roelof Botha today described his visit to Kiev as important and constructive.

The very fact that I have come to the Ukraine is evidence of the South African and Ukrainian Governments' desire for open dialogue, he said. During my conversations at the Ukrainian Foreign Ministry and Ministry of Foreign Economic Relations, we discussed issues of bilateral cooperation in the fields of trade, culture and sport, and in the exchange of technologies and the establishment of joint enterprises.

The governments of our countries cannot carry out a policy of cooperation in conditions of isolation, Roelof Botha commented, so we need to think of effective means of conducting our dealings. I think that after the forthcoming popular referendum in the Ukraine to confirm the act proclaiming its independence, the governments of the two countries will clarify the most acceptable ways of dealing with each other and select the forms of mission.

Supreme Soviet on Signing of Economic Treaty

LD0711232891 Kiev Radio Kiev Network in Ukrainian 0600 GMT 7 Nov 91

[Text] The Ukrainian Supreme Soviet has instructed the republic's government to initial the Economic Community Treaty, which is to be later ratified by the parliament. Such decision was taken by people's deputies yesterday at the plenary sitting after discussing this issue in the Presidium, in standing commissions, and at the session. Facts were given on wrecking deliveries by other republics of the former Union because production in the Ukraine is falling in certain industries. However, many deputies consider the treaty unacceptable for Ukraine, as some of its points run counter to the republican laws and the Declaration on State Sovereignty. There were many propositions. Particularly, it was proposed to conclude bilateral agreements between Ukraine and the economic community and become an associate member. However, the Cabinet of Ministers was given consent to initial the treaty after all with the following ratification by the Ukrainian Supreme Soviet. Then deputies confirmed Yevhen Kyrylovych Marchuk, who works as the state minister for issues of defense, national security, and extraordinary situations, in the post of chairman of Ukraine's National Security Service. The session examined main points on class ranks of employees of Ukraine's procurator's office agencies, its code of discipline, the structure of Ukraine's general procurator's office, and Ukraine's code of arbitration procedure. Then the account of work of the Ukraine's Supreme Soviet Temporary Commission for Issues of Nationalization of Property of the CPSU and the All-Union Lenin Communist League of Youth was heard. The plenary sittings of the Supreme Soviet of Ukraine will take place on Tuesday, 3 December.

Oblasts Sign Market Accord With Russia

PM0711150791 Moscow IZVESTIYA in Russian 5 Nov 91 Union Edition p 2

[Anatoliy Kleva report under the "Direct Line" rubric: "Neighbors Set Economic Example"]

[Text] Kharkov—Emissaries from the Ukraine's eastern oblasts and Russia's Belgorod Oblast have signed an economic agreement on cooperation in the transition to the market.

While politicians in Kiev and Moscow are trying to construct their market models, the border oblasts have decided to conclude an agreement between themselves guaranteeing efficient work for industry and the countryside.

The interoblast alliance is open for signing by all who wish to enter a new market space. It has the attraction of a wide range of projects, developments, and options and of the possibility of their efficient realization both between oblasts and with independent access for each of them to the external market, and it guarantees efficient deliveries of raw materials and fuel to the partners. The

contracted oblasts have removed absolutely all restrictions and barriers in relations with their Russian neighbors. A board of directors consisting of the top leaders of the oblasts and main supply administrations has been set up to coordinate the sides' actions.

Crimean Parliament To Reconsider Referendum

PM0711122091 Moscow IZVESTIYA in Russian 6 Nov 91 Union Edition p 2

[By Viktor Filippov: "Crimean Referendum Again"]

[Text] Simferopol—The Crimean ASSR [Autonomous Soviet Socialist Republic] Supreme Soviet Presidium has decided to convene an emergency session 22 November to examine the draft law "On the Referendum."

Apart from 66 people's deputies, this emergency session was demanded by more than 30,000 residents of the peninsula who signed the appeal from the "People's Opposition" bloc.

The draft law "On the Referendum" had already been examined at a session in late October, but after the deputies were addressed by L. Kravchuk, chairman of the Ukrainian Supreme Soviet, they shelved the draft, passing it only on first reading. Unhappy with this, People's Deputy Yu. Meshkov, leader of the "Republican Movement of the Crimea," went on a hunger strike, calling for a referendum on the abolition of the 1954 act transferring the Crimea from Russia to the Ukraine. Yu. Meshkov's demand has been supported by a number of social organizations and movements united in the "People's Opposition" bloc.

Details of National Guard Law Noted

LD0511232391 Kiev Radio Kiev in English 0100 GMT 5 Nov 91

[Text] This morning [4 November] the plenary sitting [of the Ukrainian Supreme Soviet] began with an event of a so-called interstate etiquette. Our parliamentarians formally greeted a large delegation of the U.S. Defense Department. I believe that it was interesting for the members of this delegation to hear discussion of a draft law on a National Guard of Ukraine. This was the article-by-article adoption of this document which registers an absolutely new service. There was almost no objections to the contents of the law. Deputies singled out the fact that it fully corresponds to the basis of building the Ukrainian independent state. This is the merit of the Supreme Soviet commission on defense and state security which elaborated the draft law, taking into account the many proposals put forth by the deputies, government officials, and experts. Here are the provisions of the main articles of the law:

The National Guard of Ukraine is a state armed body called upon to defend the republic's sovereignty, its territorial integrity, and Constitution. It is prohibited to use the Guard for fulfilling tasks not envisaged by the Constitution of Ukraine and its legislation. The republic's government shall supply the guard with everything necessary. At the present stage it is to solve financial and other questions on maintaining in the Ukraine some 36,000 guardsmen. These articles of the law were adopted without any changes. The National Guard shall be subordinated to Ukraine's Supreme Soviet. The draft law was adopted by more than two-thirds of the parliamentarians.

An essential amendment to the law was the provision dealing with the formation of financial and material-technical protection of the National Guard. This document was handed back to the government of the republic for including the new service into the source of the budget expenditures.

PRAVDA Views Presidential Race

PM0811104991 Moscow PRAVDA in Russian 6 Nov 91 p 2

[Correspondent M. Odinets article: "Seven Candidates: Presidential Marathon in Ukraine"]

[Text] Kiev—The Central Electoral Commission for the Ukrainian Presidential Elections and the All-Ukraine Referendum has registered Vladimir Borisovich Grinev as presidential candidate number seven. He is currently deputy chairman of the Ukrainian SSR [Soviet Socialist Republic] Supreme Soviet. He is a doctor of technical sciences and a professor. The sixth candidate, registered the day before, is L.I. Taburyanskiy, chairman of the Dnepropetrovsk "Olimp" production association, who has been nominated by the People's Party. The list also includes the following recently registered candidates: A.N. Tkachenko, Ukrainian state minister; I.R. Yukhnovskiy, an academician and head of the People's Council in the Ukrainian Supreme Soviet; L.G. Lukyanenko, leader of the Republican Party, who is already conducting a vigorous election campaign; V.M. Chernovil, chairman of the Lvov Oblast Soviet; and L.M. Kravchuk, chairman of the Ukrainian Supreme Soviet.

Of the seven in question, Leonid Makarovich Kravchuk is finding the situation most difficult now. He has to conduct sessions of the Supreme Soviet, meet with heads of foreign delegations visiting Kiev, and go to enterprises, villages, and scientific collectives to meet with electors. But he also has the highest popularity rating: Many of those polled prefer him, and L.M. Kravchuk is trying to meet with as many people as possible. Regarding them as future voters, he explains his program during every meeting. As the candidate himself, it could be called the "five-point" program: statehood, democracy, sufficiency, spirituality, and trust.

I recall an extract from L.M. Kravchuk's biography. For a long time he was chief of the Ukrainian Communist Party Central Committee Ideology Department, was ideology secretary on the Central Committee, and later became Central Committee second secretary. Many times I witnessed his discussions, lively debates, and

roundtable conversations with leaders of Rukh and representatives of different ideological tendencies, and he was always their match thanks to his knowledge and ability to conduct a polemic.

Even when working at the Central Committee, L.M. Kravchuk advocated the creation of an independent Ukrainian Communist Party and its reform into a democratic political party of a parliamentary type. Convinced that the party leadership had been involved in the August putsch, he left the CPSU.

What is the presidential candidate campaigning for now? Addressing electors at the Chernigov textiles and knitwear association, he said: "Everyone must now understand that the Ukraine cannot be anything other than a democratic state. It is not a question of people for the sake of the state but the state for the sake of people. We must work for a society where it is not the rulers who rule but the laws, where it is not 'paramount instructions' that prevail but human rights and freedoms. We can and will realize the dream of Mikhail Grushevskiy, the first president of the Ukraine, on the unification of the democracy of all the ethnic communities of the Ukraine."

Answering voters' questions in Zhitomir Oblast on which way the Ukraine is going—toward socialism or capitalism—the presidential candidate said: toward a good, democratic life. In Germany they have capitalism, they have no unhappy people there. The unhappy man is he who has no work. But in our country the unhappy man is he who does have work.

He was also asked which party he will rely on if he wins. Kravchuk replied: No party, and not because I am hostile toward any of them. Simply because I have still not found a party that would give priority to the people's interests before its own. It is always the other way around although they claim that this is not so.

In Zhitomir and in Chernigov there was a question about M.S. Gorbachev's recent interview with Yegor Yakovlev in which the USSR president stated that the Ukrainian people will vote against independence.

"Everyone answers as best he can (when questioned in Chernigov he gave a more specific answer: He (that is, Gorbachev) said that because that is what he wants, although my answer is different). We must all take a calm view of what people say. I do not like false assessments of us addressed to the Ukraine and the whole Union on central television and republic television. With no access to these channels, we cannot say 'bless you' every time someone sneezes. So when they ask us for money for the upkeep of central television, we demand that the Ukraine have a day on central television where we could express our position, too."

A participant in the Zhitomir meeting told the candidate:

"You will not convince me because you are a former party apparatchik."

"Even if I performed a striptease here and now I would not convince you," was the answer. "I can see perfectly well that you are going to vote for V. Chernovil. That is your right, good luck to you, Parasya..."

Of course this caused a hubbub in the hall. Once again there was intense attention because L. Kravchuk was reminded that two years ago he was the main ideologue of the republic's party organization and proponent of the ideas of Marxism-Leninism, but now he has changed his views.

"I take it, then," the candidate stated, "that you have never read the whole of Lenin in your life whereas I have read Lenin, Plekhanov, Owen, and other proponents of those ideas twice over, and I have never given negative assessments of Marxism-Leninism. These are great ideas and great figures in world history. Who said that Marxism-Leninism contains no democracy, no ideas of justice, or respect for man? But I would place doubt on the mechanism of their implementation. That was not socialism in its essence. But the ideas must not be discarded. Ultimately, you must not accuse a person for taking other ideas on board."

Here is how PRAVDA correspondent A. Pasechnik describes L.M. Kravchuk's meetings with voters in Odessa:

"In many auditoriums there was bewilderment at the fact that the Ukraine has still not signed the Economic Community Treaty. Will this not lead to self-isolation? No, L. Kravchuk said, trying to dispel these fears, under no circumstances can the Ukraine remain outside the common economic space. That would be simply disastrous for it. But in his opinion such a major document also demands the most serious attitude and painstaking preparatory work. Furthermore, the Ukraine has its own view of some fundamental provisions of the treaty, for example there are differences of opinion on the planned system of distribution of the foreign debt, the proposed role of the general coordinating organ, and so forth. These differences can be overcome, but this must be done before the treaty is signed..."

There was a whole package of problems discussed at the meeting concerning interethnic relations which, in L. Kravchuk's view, are not as acute in the Ukraine as in a number of other regions of the former Union. Nevertheless, there are questions here. For example, at a meeting at a machine building association, people complained that official documentation had been sent out from Kiev only in the state language, that is, Ukrainian. But in Odessa, as everyone knows, a very considerable proportion of the people are Russian speakers... In reply the candidate reasonably noted that such questions are sometimes given greater significance than they deserve. In this case for regions like Odessa business documents can simply be prepared in two languages. The use of one language or the other, he said, is an exceptionally delicate and purely

voluntary matter based on the priority both of the idea of national rebirth and respect for human rights and for each linguistic culture. This position has been received with satisfaction in all auditoriums.

Following Kravchuk in the popularity ratings is Vyacheslav Maksimovich Chernovil. As a child he graduated from school with a medal and earned a distinction at the Shevchenko Kiev State University Department of Journalism. He helped to initiate the national liberation movement in the Ukraine, as his election literature says. He was a victim of repressions a number of times for that.

Answering voters' questions, L.M. Kravchuk had the following to say about his main rival:

"I believe that Chernovil is a rival who cannot be discounted. He is a well trained man, he has a purpose, and he is trying to achieve it. It is not these qualities of his that worry me but the fact that there are contenders who, if elected, would immediately like to sack everyone. Some of them have said that if if elected nothing but the walls of the Council of Ministers will be left standing. Another said that if he wins he will replace everyone, from prime minister to production team leader on the grounds that these people were members of the CPSU. In our country all leaders were CPSU members. Can everything be settled by that criterion?"

Elsewhere, L.M. Kravchuk said when assessing V.M. Chernovil's actions that he seems to support the position of the ethics of tolerance "but as soon as he takes to the rostrum—and this is surely in the man's character—he immediately forgets that and begins saying, as for example at the all-Ukrainian assembly, that the enemy is spying on us from behind every bush. I figured that we have more bushes than people. If we attached great significance to this idea can you imagine where it might lead today? Should we chop the heads off everyone who used to be in the party? And this is supposed to be a good sign? That is not what the Ukraine is waiting for. It is waiting for national consensus and unity."

Levko Grigoryevich Lukyanenko has been conducting a vigorous election campaign, appearing before the Donbass miners, the Kharkov machine builders, and the Poltava grain growers. He is a lawyer by training and graduated from the Lomonosov Moscow State University. When working as a lawyer in Lvov Oblast he wrote a program and created an illegal worker and peasant union, for which he was imprisoned and sentenced to death. In all he spent 27 years in camps and in exile for his beliefs.

Many of the contenders have sympathies for the candidacy of Igor Rafailovich Yukhnovskiy, leader of the People's Council in parliament. At the front he was a private and he was a Communist.

"Relations with the CPSU were always normal. I was elected a member of the party rayon committee and city committee and for many years I was also a Lvov City Soviet deputy. I went to Moscow as a delegate to the 19th CPSU Conference. I believe that I had influence with Pogrebnik, first secretary of the Lvov party oblast committee and his predecessor Dobrik."

In reply to the question of what qualities a president should possess, I. Yukhnovskiy said:

"Primarily he must be steadfast in his views and intentions. The people must know precisely what to expect from this candidate and how he will conduct himself in certain everyday situations. The president must have a thorough understanding of the mechanism of social development based on the conditions in which it exists."

Subsequently he noted: Authority can be firm, maybe even harsh. Firm authority is not harsh. Authority is firm when the president knows what he wants and when the people understand what the president wants. It is another matter when that understanding breaks down and the president has to insist.

Graingrowers and everyone concerned for the development of the agro-industrial complex pin their hopes for the revival of the Ukrainian countryside on the candidacy of State Minister Aleksandr Nikolayevich Tkachenko. But like I.R. Yukhnovskiy, L.I. Taburyanskiy, and V.B. Grinev, he has only just begun the campaign for votes.

Many people believe that in the first round no one will gain an absolute majority and everything will be decided in the second ballot, which will feature Kravchuk and Chernovil.

There is not long to wait now—the election campaign has entered the homestretch.

Candidate Views Role of Future President

LD0611181191 Kiev Radio Kiev in English 0100 GMT 6 Nov 91

[Text] Academician Ihor Yukhnovskyy, chairman on the People's Council and presidential candidate, one of the most stable and sober-minded of the politicians, believes that among the tasks which should be solved by the future president of Ukraine at the first instance are:

[Begin Yukhnovskyy recording] The immediate transition to a market-based economy coordinated with corresponding step [as heard] of the Russian Federation is the first, basic, and most important action which should be taken by the future president. Besides this he should concern himself with the development of different production branches, at the same time especially those which can give the speediest profit and revival. This first and foremost concerns agriculture. Besides this the president should regulate the financial system and should uphold good relations with other world countries, receive their recognition in order to obtain the necessary credits and investments. [end recording]

Black Sea Fleet Commander on Relations

LD0611123291 Moscow TASS International Service in Russian 1130 GMT 6 Nov 91

[By TASS-UKRINFORM correspondent Mikhail Stetsyuk]

[Text] Sevastopol, 6 Nov (TASS)—"The Black Sea Fleet is a part of the all-Union structure, but it is impossible to deny the right of any sovereign state to have its own army and navy," stated Black Sea Fleet Commander Admiral Igor Kasatonov. Speaking about relations between the Black Sea seamen and the Ukrainian leadership, the admiral said in his interview to the UKRINFORM correspondent:

"Ukraine has declared its right to this. At the same time, the republic's leadership has been behaving with a great deal of tact toward our Fleet". According to Kasatonov, he had a meeting with Ukrainian Supreme Soviet Chairman Leonid Kravchuk during which Kravchuk stated that "the republic lays no claims to all the structures of the Black Sea Fleet, but would like to have its own small fleet." Relations between the Fleet and the ministries are based on "mutual respect and understanding".

Officers' Union Congress 'More Like a Rally'

PM0711110191 Moscow KRASNAYA ZVEZDA in Russian 5 Nov 91 First Edition p 1

[Colonel A. Polyakov report under "Direct Line" rubric: "After the Congress: A Lice Test?"]

[Text] Kiev, 4 Nov—The Ukrainian Officers' Union Congress was held in Kiev and lasted two days, 2-3 November. I remind readers that the Officers' Union, created three months ago on the initiative of Rukh and registered recently as a social organization, is increasingly seeking to interfere in the republic's political life.

Officially it all happened like this. About 10 people's deputies spoke at the congress, including three presidential candidates—L. Lukyanenko, V. Chernovil, and I. Yukhnovskiy. Only L. Kravchuk was absent. On the proposal of people's deputies, a demand that the Ukrainian Supreme Soviet appoint their colleague, People's Deputy A. Yemets, as leader of the Ukrainian National Security Service was included in the congress' final document.

USSR People's Deputy Colonel V. Martirosyan, chairman of the Officers' Union Committee, stated that all the "reactionary generals," the military district commanders of the Ukraine, should be fired. In the form of an ultimatum he demanded from Ukrainian Defense Minister Colonel General K. Morozov, the main speaker, that all appointments be coordinated with the Officers' Union Committee.

And now to the off-the-record part. To the surprise of foreign TV reporters, after Martirosyan had accused certain members of the committee of careerism, an unsightly scene was enacted. Members of the presidium, grabbing the microphone from one another, exchanged mutual recriminations. After the congress, Vilen Arutyunovich was forced to confess that he is surrounded by "scoundrels."

The congress was more like a rally. People's Deputy A. Pilipchuk, who did not manage to become a presidential candidate (he did not muster the necessary votes for registration), demanded that officers and warrant officers give by 1 December this year written obligations to serve the Ukraine, and called this a "lice test."

Evidently, it might even come to new commissars. An appeal to the Ukrainian Supreme Soviet adopted at the congress demands that plenipotentiaries of the Ukrainian Supreme Soviet be appointed to army formations and combined units "to monitor the activity of troops." Another demand: That officers and warrant officers not wanting to become Ukrainian citizens be transferred to "their states" in 1992, and all cadre reassignments from battalion commander upwards be coordinated with the Ukrainian Officers' Union.

Let us turn our attention also to the closing speech of V. Martirosyan, when he called on the union's grassroots structures to conduct "vetting of SCSE [State Committee for the State of Emergency] supporters," to collect data as to which officers acted how during 19-21 August. Afterward, I asked Vilen Arutyunovich to clarify how his instruction can be squared with state organs' clear statement that displays of amateurism in investigating the August events are inadmissible. No intelligible reply was forthcoming.

Armenia

Acting Premier on Fuel Crisis, Border Clash

NC0811134091 Yerevan Radio Yerevan Network in Armenian 1830 GMT 6 Nov 91

[Report by Mavr Danielyan from Armenian Supreme Soviet session held in Yerevan on 5 November—recorded]

[Excerpts] [Danielyan] Armenian Supreme Soviet continued its deliberations today. [passage omitted]

At the morning session Deputy Rubik Tadevosyan proposed that the acting chairman of the Council of Ministers brief the session on the republic's energy crisis, which is perturbing the people. At the evening session Grant Bagratyan, the acting chairman of the Council of Ministers, delivered a report on Armenian energy. The energy sector looks grave, with practically no power coming from the other republics, particularly the Transcaucasian grid. We are receiving just 1.5 million kW daily. We need 12,000 tons of fuel every day to operate thermal power stations [words indistinct]. Yet we do not have this amount of fuel [passage indistinct]. Yesterday at 2030 the gas pipeline into Armenia through Azerbaijan was cut off, and the second pipeline, through Karmir Kamurdzh, serving Armenia's northern regions, Spitak and Leninakan, was blown up on 12 September.

Bagratyan added: Today, as expected, it became obvious that the Azerbaijanis have political objectives, including some in Nagorno-Karabakh. Their aim is to blockade Armenia again [words indistinct] (?and exert pressure) on Nagorno-Karabakh. Within a few days the republic's president will appeal to former Union republics [words indistinct]. Things are worse than we could imagine.

Bagratyan continued: I spoke with Comrade Silayev and the Azerbaijani prime minister, who said that yesterday we attacked the (?Khruzlu) village near that (?gas pipeline) [passage indistinct]. An Army unit was stationed between Diran and (?Khruzlu) villages. On the (?withdrawal) of this unit, day-long fire on Diran from (?Khruzlu) village set one house on fire. A fire engine was called, (?which was fired upon). Later, a direct assault on Diran met return fire. According to Azerbaijani reports, (? four Azerbaijanis) died and [words indistinct]. The gas pipeline entering Armenia was shut off. [passage omitted]

Revamped Communist Party Registered

LD0711215491 Moscow TASS International Service in Russian 1725 GMT 6 Nov 91

[By TASS correspondent Tigran Liloyan]

[Text] Yerevan, 6 Nov (TASS)—The 17th social and political organization in the republic, the Democratic Party of Armenia, was registered here today. It was established in September by a group of delegates to the 29th congress of the republic's Communist Party who voted to end the latter's activities.

The Democratic Party of Armenia (DPA) is a social-democratic party, DPA Chairman Aram Sarkisyan, a journalist, told this TASS correspondent. Over half its members are representatives of the intelligentsia working in academia and higher education, and one-third are young people. We are in favor of restoring the national character of the Armenian people, attaining all our national goals, and solving all our national problems by political and constitutional means alone, he commented.

There are more parties in Armenia now than there have been throughout all its history, which is centuries old, said Vage Stepanyan, the republic's justice minister, as he presented the Democratic Party's registration certificate. The establishment of a multiparty system is also encouraged by Armenia's legislation, which places virtually no restrictions on the activities of parties and grants them wide political rights, including the right of legislative initiative in parliament.

Azerbaijan

Order Given To Disarm NKAO Militia

OW0711185291 Moscow INTERFAX in English 1415 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] On November 7 an Azerbajian Spetsnaz (special police) group arrived in Stepanakert and attempted to seize all weapons at the regional Interior Ministry department but the department chiefs and staffers refused to turn in the weapons. From early in the morning the department's building was surrounded by a thousand-strong crowd of Nagorno-Karabakh [NKAO] residents.

IF [INTERFAX] learned that the order to seize weapons in Stepanakert had been issued by the Interior Ministry of the Republic of Azerbajian. In turn, the Interior Ministry had been moving to carry out the ruling of the republican parliament that all weapons on Azerbaijan's territory belonged to Azerbajian and that the republic would establish armed forces of its own.

The executive committee of the Nagorno-Karabakh area decided to distribute the weapons currently stored at the Interior Ministry department among the district police stations.

By mid-day the crowd on Stepanakert's central square had dispersed. Nagorno-Karabakh Commandant General Zhinkin, Internal Troops Commander Lieutenant-General Savin and chief of Nagorno-Karabakh's Interior Ministry department Major-General Kovalev began to negotiate the surrender of the weapons with Nagorno-Karabakh officials.

Republic Militia Clashes With Armed Formation

LD0711200191 Moscow TASS International Service in Russian 1859 GMT 7 Nov 91

[By TASS correspondent Vadim Byrkin]

[Text] Stepanakert, 7 Nov (TASS)—A battle took place between an Armenian armed formation and the Azerbaijani militia this afternoon on the Nagorno-Karabakh-Azerbaijani border. The commandant's office of the state of emergency region has revealed that there are killed and wounded on both sides. An Armenian village has been burned down. The circumstances of the incident are being investigated. The situation in the zone of the armed conflict remains very tense.

One Dead, Seven Hurt in Attack on Town

NC0811111291 Baku Radio Baku Network in Azeri 0300 GMT 6 Nov 91

[Text] The town of Kheyrimli in Kazakhskiy Rayon came under fire from Armenia's Noyemberyanskiy Rayon on 5 November. According to the Azerbaijani Interior Ministry, Uslan (?Mertibov) was killed and seven of his militia colleagues, all from Eskipara, near Kheyrimli, were gravely injured.

Internal Troops Status To Be Discussed

LD0711193891 Moscow Radio Rossii Network in Russian 1800 GMT 6 Nov 91

[Text] The USSR internal affairs minister reported at a news conference in Moscow that on 6 November a delegation headed by commander of the USSR Internal Troops will be sent to Baku for talks on the status of the USSR Internal Troops in Azerbaijan. According to the minister, in particular, the seizure of five Internal Troop vehicles with ammunition and also, the actions of Azerbaijani authorities that hamper the removal of property of the USSR Ministry of Internal Affairs from the republic will be the topic of talks between the delegation and the Azerbaijan leadership.

The Nagorno-Karabakh situation will also be discussed. Representatives of the intermediary groups for observing the terms of the Zheleznovodsk communique from Kazakhstan and Russia are in the delegation. According to Barannikov, on 6 November he held a conversation with Azerbaijan President Ayaz Mutalibov on this topic. There is no confrontation between the Ministry of Internal Affairs of Azerbaijan and the USSR Ministry of Internal Affairs, Barannikov said.

Workers Urge Leaders To Sign Economic Treaty

OW0811074591 Moscow INTERFAX in English 1630 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] Azerbaijani newspapers carry a survey of appeals to the republic's leadership expressing concern about Azerbaijan's unclear stand on the inter-republican economic treaty. Collective appeals by industrial and office workers urge the Azerbaijani president and parliament to sign the treaty and thereby ward off the threat which severed economic ties might pose to Azerbaijani enterprises.

IF's [INTERFAX] [word indistinct] correspondent notes that the question is still open, even though the Azerbaijani parliament earlier decided not to sign the Economic Community Treaty.

Parliament Discusses Foreign Relations

OW0811074491 Moscow INTERFAX in English 1630 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] On Thursday [7 November] the Supreme Soviet of Azerbaijan gave considerable attention to the republic's foreign contacts. Speakers complained, among other things, of the Soviet Foreign Ministry's pressure on Turkey with regard to the latter's recognition of Azerbaijani independence. The Turkish Government is expected to announce its final decision on Saturday [9 November].

Prime Minister Gasan Gasanov reported to parliament yesterday on his recent visits to Italy and Turkey. He said the two countries could be expected to be Azerbaijan's chief economic partners.

The premier stressed the point that Azerbaijan was the only ex-Soviet republic capable of living on its own resources and economic potential.

Azerbaijan Plans To Enter World Market

OW0811111891 Moscow INTERFAX in English 1311 GMT 7 Nov 91

[From "Soviet Business Report;" transmitted via KYODO]

[Text] The Government of Azerbaijan, a former Soviet republic which has recently declared independence, has drawn up a concept of external economic activities, which calls for putting in place a modern political, legal, and economic infrastructure for foreign trade.

The deputy of Azerbaijan's permanent representative in Moscow, Mr. Rauf Akhundov, has been asked by INTERFAX to give his comments.

Under the law "On the Fundamental Principles of Economic Independence of the Republic of Azerbaijan" enacted in the middle of this year, Azerbaijan will independently manage its external economic activities, create a customs system, organise free economic zones, and formulate its own policies with respect to the establishment of firms, trading houses, banks, and other enterprises.

The republic will form its own foreign exchange fund and will use it independently.

The republic's government has concentrated its efforts in four areas critical to development of its external economic ties.

I. INTERGOVERNMENTAL TIES AND CONCLUSION OF INTERGOVERNMENTAL AGREEMENTS

The signing of an agreement between the governments of Azerbaijan and Turkey resulted in the following decisions:

—on the construction of a bridge across the River Araks, opening a crossing-point on the Soviet-Turkish border, and establishing an air link between Baku and Istanbul;

—on development of sea and river transportation;

—on establishment of automatic telephone communications between Azeri and Turkish towns;

—on development of border trade;

—on setting up consulates general in Baku and Trabzon.

A memorandum signed by the Governments of Azerbaijan and Iran has resulted in an agreement on mutual supplies of electricity and airflights Baku-Tebriz-Tehran.

The scheduled visit by the republic's President Ayaz Mutalibov to the U.S. will contribute to a broadening of U.S.-Azeri economic ties.

Baku has hosted a U.S.-Azeri workshop held under the auspices of the powerful banking corporation Citicorp to explore possibilities for economic cooperation between firms of the two countries.

About 3,000 representatives of the business community from over 50 countries have visited the republic over the past 18 months.

A package of proposals on trade and economic cooperation has been drawn up by the republic's government and forwarded to the Governments of Italy, Switzerland, Australia, Japan, India, and some other countries.

II. CREATION OF AN INSTITUTIONAL FRAMEWORK

The republic has set up a specialised foreign trade organisation—the Commission for Economic Ties With Foreign Countries, which is responsible for:

—coordination of operations of participants in external economic activities;

—matters pertaining to the creation of joint ventures and associations, and the opening by foreign firms of their offices;

—control over credit operations and payments involving foreign countries;

—regulation of the exercise by the republic of its quota-setting and licencing powers.

Specialised units responsible for external economic activities have been set up by all of the republic's ministries and agencies.

Over 500 enterprises and organisations in the republic have thus far been given the right to conduct operations abroad.

The republic's enterprises and organisations have signed contracts with firms from over 30 foreign countries.

Joint ventures, whose number has already exceeded 40, are registered by the republican authorities independently of the centre.

III. CREATION OF A COMMUNICATIONS NETWORK.

The creation of modern transportation and communications systems is critical to growth of external economic activities.

Azerbaijan has signed a number of agreements with Turkey and Iran to expand transit shipments across its territory.

A new "Balt-Iran" cargo transportation route for mixed traffic from Scandinavian countries to Tallinn and on to Iran is scheduled to be opened in the second half of 1991 to handle the growing volumes of inbound and outbound highway traffic.

The Caspian Sea Shipping Company has increased from seven to 27 the number of ships available for international freightage. Foreign exchange earnings are expected to amount to 69 million convertible rubles.

Work is under way with Iran to organise a mixed shipping company and open a new passenger route.

An agreement has been reached with Transbosfor, a mixed Soviet-Turkish company, to put in place permanent sea links between Turkish and Azeri ports. Some of them are already in operation.

Azerbaijan has been establishing direct international communications channels with many foreign countries. Installation work at an international telephone exchange was completed in September.

Agreements have been reached with Iran and Turkey to establish respectively 70 and 60 telephone channels with these countries.

There are also plans to buy an international telefax exchange.

IV. CREATION OF FINANCIAL AND INFORMATION INFRASTRUCTURES

A serious obstacle in the way of broader external economic ties was the absence in the republic of a foreign trade bank, which has now been created and is handling currency transactions.

Over 250 of the republic's enterprises and organisations, as well as foreign missions based in Baku, have opened accounts at this bank. The creation of the Foreign Trade Bank has enabled the republic to accumulate foreign exchange and obtain reliable information on foreign exchange holdings of participants in external economic activities.

Negotiations are currently under way with Turkey and Egypt on founding international commercial banks in Azerbaijan.

Experts are now working on packages of documents for organising free economic zones in Gyandge and Nakhichevan Autonomous Region.

A concept of free financial zones in Baku has been drawn up, which calls for participation of foreign banks and establishment of stock exchanges, currency exchanges, a centre for international trade, and a regional expo centre.

Work is also under way to put in place an information infrastructure.

Azerbaijan's State Statistical Committee has launched a special statistical bulletin on the republic's external economic ties.

A system of data banks has been set up to accumulate information pertaining to six application domains, namely: on participants in external economic activities, on legal and regulatory framework for these activities, on the republic's economic potential, on procedures to be followed in establishing external economic ties, and on foreign partners.

Detailed information about Soviet enterprises, firms and exchanges is available from an independent commercial firm named InformVES.

The republic has in place a contract registration system, which provides information on their number and nature.

Experts from the USSR, Germany, and Holland have developed an information system capable of assessing the republic's economic situation.

LEGAL FRAMEWORK FOR ATTRACTING FOREIGN INVESTMENT IS AS YET INCOMPLETE

It should however be noted that Azerbaijan has so far failed to lay adequate legal foundations for foreign investment.

Work has not yet been completed on draft laws on foreign investments and their protection, joint ventures, concessions, quota-setting and licencing, so either national legislation or the regulations of the republic's government continue to be applied.

Economic Agreements Signed With Italy

LD0711235791 Moscow TASS International Service in Russian 1414 GMT 6 Nov 91

[By AZERINFORM correspondent Anar Kadirli]

[Text] Baku, 6 Nov (TASS)—A further expansion of economic cooperation between Azerbaijan and Italy is envisaged in the intergovernmental agreement which was signed during the visit to the Appenine peninsula by Gasan Gasanov, the republic's prime minister. He informed Azerbaijani parliamentarians of this today.

Representatives of the ministries of industry and transport affixed their signatures to the document for the Italian side. The head of the Azerbaijani Government also held talks with Giulio Andreotti, chairman of the Italian Council of Ministers, and met the leaders of a number of this country's leading companies.

In the words of the prime minister, the implementation of four contracts worth U.S. $250 million were signed with Italian firms which will also encourage the expansion of cooperation. As the members of parliament were told, the trade and settlement of accounts involved in these will be carried out on a compensation basis.

Georgia

Internal Troops' Property Said Basis for Army

LD0811114991 Moscow TASS International Service in Russian 1001 GMT 8 Nov 91

[By TASS correspondent Viktor Voronyuk]

[Text] Tbilisi, 8 Nov (TASS)— President Zviad Gamsakhurdia of Georgia has declared that the weapons, munitions, and communications, and military equipment of the Internal Troops of the USSR Ministry of Internal Affairs located on Georgian territory are the property of the republic. A decree on nationalizing the property of the Internal Troops of the USSR was signed by the Georgian president yesterday.

The document says, in particular, that the Georgian Ministry of Internal Affairs has been set the task of beginning immediate talks on this matter with the USSR minister of internal affairs.

Commenting on the decree, Tengiz Kasradze, head of the Press Center of the Georgian Ministry of Internal Affairs, said that in the new political conditions the republics should have their own money, army, and foreign and domestic policy. "The new step by the president undoubtedly will be one more prerequisite for the creation of an independent state," he stressed. In his opinion the bases and property of the Internal Troops of

the USSR Ministry of Internal Affairs will be "a great help for the formation of our own army".

Text of Decree Published

AU0711175791 Tbilisi Radio Tbilisi Network in Georgian 1409 GMT 7 Nov 91

[Decree issued by Zviad Gamsakhurdia, president of the Republic of Georgia, in Tbilisi on 7 November]

[Text] With the aim of intensifying the struggle against crime and guaranteeing the preservation of public order in the republic, I decree:

To declare as the property of the Republic of Georgia weapons, munitions, communications facilities, military equipment, and other accessories and supplies of the Internal Troops of the USSR Ministry of Internal Affairs stationed on the territory of the Republic of Georgia.

The Republic of Georgia Ministry of Internal Affairs is to begin negotiations with the USSR Ministry of Internal Affairs on the transfer of the equipment mentioned in Paragraph One of this decree to the ownership of the Republic of Georgia.

Zviad Gamsakhurdia, president of the Republic of Georgia.

Tbilisi, 7 November 1991

President Protests North Ossetian 'Aggression'

AU0711182291 Tbilisi Radio Tbilisi Network in Georgian 1409 GMT 7 Nov 91

[Message from Zviad Gamsakhurdia, president of the Republic of Georgia, to the Supreme Soviet of the North Ossetian Autonomous Republic; date not given]

[Text] Here is a message from the president of the Republic of Georgia to the Supreme Soviet of the North Ossetian Autonomous Republic:

We strongly protest against the examination by the Supreme Soviet of the North Ossetian Autonomous Republic of the appeal made by the self-proclaimed executive committee of so-called South Ossetia to incorporate the territory of the former South Ossetian Autonomous Oblast into the North Ossetian Autonomous Republic.

Neither in accordance with its own Constitution nor with the USSR Constitution has the North Ossetian Autonomous Republic Supreme Soviet any right to change the borders of the autonomous republic. Such an action is totally contrary to Article 70 of the RSFSR Constitution, according to which the territory of the Russian Federation, of which North Ossetia is a part, cannot be changed without the agreement of the Russian Soviet Federated Socialist Republic.

Examination of this question by the North Ossetian Autonomous Republic Supreme Soviet is an attempt to infringe upon the territorial integrity of the Republic of Georgia that is aimed at taking away from Georgia an integral part of its territory. This is clearly contrary to Articles 1, 71, 73, and 104 of the Georgian Constitution, according to which the territory of the Republic of Georgia is indivisible and cannot be changed without the agreement of the Republic of Georgia. The resolution of the questions of its administrative territorial structure and borders comes under the jurisdiction of the Republic of Georgia.

Furthermore, the examination of this question is taking place in conditions when the leaders of the North Ossetian Autonomous Republic are [word indistinct] and are sending armed bands to Samachablo [South Ossetia], historically part of Georgia, to support Ossetian extremists and are supplying them with weapons and combat equipment. By such actions, the leaders of the North Ossetian Autonomous Republic are flagrantly violating the universally recognized norms of international law and these actions are viewed by us as aggression against an independent sovereign state with all the legal and political consequences proceeding from this.

[signed] Zviad Gamsakhurdia, president of the Republic of Georgia

Responsibility for Ossetia Conflict Denied

OW0811055191 Moscow INTERFAX in English 1245 GMT 7 Nov 91

[Transmitted via KYODO]

[Text] Georgia expressed protest in connection with the charges that Tbilisi is responsible for the situation in South Ossetia. These charges were voiced in Russia's parliament and at the Congress of Russian People's Deputies.

Georgia's parliament and government adopted a special statement which describes as "absolutely false" the announcement of Ramazan Abdulatipov, chairman of the Council of Nationalities of Russia's parliament, that 100,000 Ossetian refugees fled to North Ossetia from Georgia.

Georgia beleives that North Ossetia is seeking additional allocations allegedly to compensate for its expenses caused by the need to accomodate refugees, and that Russia's parliament attempted to justify its request. In fact, according to Georgia, the money will be spent on military aid to Ossetian extremists and on an escalation of hostilities in Georgia. Georgia's leadership qualifies this as "the Russian parliament's complicity in acts of aggression against independent Georgia".

Georgia lays the blame for the current situation largely on the leaders of the former USSR who, or their successors, it says, should make up for Georgia's material losses.

Tbilisi requests the U.N. to send international experts to look into the conflict.

Spokesman on Failure To Sign Economic Treaty

LD0711213891 Moscow All-Union Radio Mayak Network in Russian 1100 GMT 6 Nov 91

[Text] Georgia is one of the seven republics that did not sign the Economic Community Treaty. Why did this happen? Aleksandr Mostovoy-Urushadze, deputy head of the Main Administration of Foreign Economic Relations of the Georgian Ministry of Foreign Affairs, says that it is entirely a matter of the nonrecognition by the USSR of Georgian independence. At the start of September, Georgia was prepared to enter the economic union on the condition that the issue of its independence be on the agenda. However, the condition was not met. We, therefore, do not feel it possible to accede to the treaty, the first article of which starts with the words independent states, said the deputy head of the Main Administration for Foreign Economic Relations. As for Georgia's cooperation with the developed Western countries, options for cooperation with the republic are being broached by respectable banks in Spain and Germany, and there is talk of setting up a Georgian bank abroad.

Supreme Soviet Protests to RSFSR Leadership

LD0711204791 Moscow All-Union Radio First Program Radio-1 Network in Russian 1500 GMT 7 Nov 91

[Text] According to the SAKINFORM agency, a statement by the Presidium of the Georgian Supreme Soviet was published in Tbilisi today. It expresses a decisive protest against complaints expressed to Georgia by the Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet and the RSFSR Congress of People's Deputies. It protests against adoption of groundless decisions and resolutions giving the enemy forces an opportunity to make relations between Russia and Georgia worse.

Kazakhstan

Communists Given More Time To Reregister

PM0711144191 Moscow PRAVDA in Russian 6 Nov 91 p 1

[Untitled report from PRAVDA-TASS roundup under the "Newsbeat" rubric]

[Text] In Alma-Ata the Kazakhstan Socialist Party Political Executive Committee has decided to extend the previous deadline for the reregistration of Communists as members of the officially registered party.

Nazarbayev Interviewed on Relations With Arabs

PM0811094191 London SAWT AL-KUWAYT AL-DUWALI in Arabic 7 Nov 91 p 10

[Interview with Kazakh President Nursultan Nazarbayev by Bari'ah 'Alam-al-Din in London; date not given]

[Excerpt] [passage omitted] President Sultan began the interview by emphasizing that he will visit the Kingdom of Saudi Arabia next month to discuss the scope of economic cooperation between his country and Saudi establishments.

['Alam-al-Din] How do you view your relations with the Arab world, and will you join the Islamic states organization?

[Nazarbayev] We are an Asian country, and we have our special identity which was invisible before; that was a big mistake for which we were responsible, especially when we neglected to establish strong relations of cooperation with the Arab states. I expressed this view to President Gorbachev and emphasized to him our wish to close the page of the past with all its mistakes and to open a new and fruitful page with friendly states.

I will soon make a series of visits to achieve that objective beginning with a visit to the Kingdom of Saudi Arabia, Iran, then Afghanistan in accordance with invitations I have received.

There is a plan for a direct railroad line between our country and Iran and Turkey in order to enhance our means of communication with the Gulf region. We do not forget that we are a Muslim people, and I believe that our relations with the Arab states will grow and improve constantly and that a long period of estrangement and separation from our Islamic world will be ended.

['Alam-al-Din] What is your program with regard to visiting other Arab states?

[Nazarbayev] Nothing has yet been determined or decided in that regard. I hope I will have the opportunity to make a series of visits in the future.

['Alam-al-Din] You have an important nuclear arsenal. What is its fate, and will it remain in your hands?

[Nazarbayev] That is true. We have in the heart of Kazakhstan a big military base for launching long-range missiles and satellites, and we have a lot of nuclear weapons. We also have a test zone which is the second largest after the U.S. site in the Nevada desert. These weapons will remain with us, and certainly we will not use them against others. In signing the agreement, we recognized the Soviet Union's authority over that kind of weapons.

['Alam-al-Din] Do you plan to use your influence inside the Soviet leadership to prompt President Gorbachev to exert pressure on the Iraqi regime to force it to release Kuwaiti prisoners?

[Nazarbayev] As a Muslim and democratic state, we oppose the Iraqi invasion of Kuwait. I share President Gorbachev's position on that crisis, and we believe that the teachings of our Islamic religion reject taking prisoners and call for love and peace.

['Alam-al-Din] Does your country suffer from the problem of religious extremism?

[Nazarbayev] We are all Muslims and have no problems like that.

['Alam-al-Din] How do you view the Madrid peace conference?

[Nazarbayev] I support President Gorbachev's position on that subject, and we hope that this kind of thing is a prelude to resolving the Middle East problems in accordance with the principles of international legitimacy so that justice, peace, and equality of rights, duty, and security will prevail throughout the world. We also hope that a just and lasting solution to the Palestinian issue will be secured.

['Alam-al-Din] How do you see the future of cooperation between you and the other Soviet republics?

[Nazarbayev] Our peoples have a long history of coexistence and friendship, and we must do all we can to live freely within a framework of dignity and respect. This is because presidents come and go but the people and the land remain. We must keep away from disputes and conflicts, rid ourselves of everything that is erroneous and ugly, and live together within a framework of respect and mutual services and interests.

Today we are interested in implementing the provisions of the Union treaty based on granting the republics the right to enjoy true independence and central powers.

Everyone should know that we will not be able to be part of the world market without the Union, and that it is our duty if we want good for our country: to renounce disputes and political conflicts and to act collectively with regard to work and production.